

countries in order that the Executive Board may carry the project to completion so that the participating countries may obtain the necessary legislative authority from their parliaments early next year. With this done, the monetary system of the free world will be substantially strengthened. For the Fund will then clearly be in a position to meet the changing needs of the new world of convertible currencies.

Speaking for my country, I want to say that the United States regards the work in which we are engaged here in Vienna as having a direct and important bearing upon the future course of free world growth and progress. I have confidence in the ultimate outcome of our deliberations because I have confidence in the vitality of the free economies upon which the work of the Fund is founded. Our mutual goal is a world of expanding opportunities for every human being to pursue his legitimate aspirations in peace and freedom. The International Monetary Fund is playing an important role in helping us to achieve it.

Arms Control Act of 1961

EXTENSION OF REMARKS OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. TOLL. Mr. Speaker, late on Tuesday afternoon, September 19, it was necessary for me to leave Washington to observe the high holiday of Yom

Kippur. Therefore, I missed the vote on H.R. 9118, the Arms Control Act of 1961, which took place that evening.

Because of my deep-rooted interest in this legislation, I very much regretted the fact that I could not be present for the vote. While I had every confidence the measure would pass, I arranged before leaving Washington for a live pair to record my support of it.

In the opening month of the 87th Congress I introduced H.R. 3351, providing for the establishment of a National Peace Agency. Later, after a conference at the White House with President Kennedy and his special adviser on disarmament, John J. McCloy, and other colleagues of the Congress, I introduced H.R. 7966, to establish a U.S. Disarmament Agency for World Peace and Security. On August 10, 1961, I was pleased to receive the following letter from the Honorable John J. McCloy concerning the matter:

THE WHITE HOUSE,
Washington, August 10, 1961.

The Honorable HERMAN TOLL,
House of Representatives.

DEAR MR. TOLL: As you may know, I just returned a few days ago from Moscow where I spent 2 weeks of discussions with the Soviets preparatory to the resumption of multilateral disarmament negotiations.

I am somewhat delayed, therefore, in sending you this note of thanks for your cosponsorship of the bill to establish a U.S. Disarmament Agency for World Peace and Security. It is very encouraging to me to know of your interest in this vital subject and your willingness to cosponsor legislation affecting it. I believe it is extremely important that the Congress enact the bill this

session for it is essential that we prepare ourselves to deal with disarmament problems of the future in an efficient and expeditious manner.

I am hopeful that I shall have an opportunity to discuss this matter further with you. In the meantime, if there is any information I or any member of my staff can furnish you about aspects of the legislation or issues involved in formulating U.S. disarmament proposals, we shall be pleased to do so.

Sincerely,

JOHN J. MCCLOY.

The bill, known as the Arms Control Act of 1961, H.R. 9118, which was passed by the House of Representatives, has the same objectives as the two bills referred to above, which I introduced.

The Berlin situation has taken attention away from the significant action of the present Congress in the quest for peace. President Kennedy, in urging the passage of legislation to establish a disarmament agency, said:

A disarmament program must take into account the national security, our foreign policy, the relationships of this country to international peacekeeping agencies, including the United Nations, and our domestic, economic, and other policies. It should drive toward the creation of a peaceful world society in which disarmament, except for the forces needed to apply international sanctions, is the accepted condition of international life.

Certainly the establishment of the Arms Control Agency is a big step in the right direction. I sincerely hope that sufficient money is appropriated to make the Agency effective. It could mean the difference between war and peace.

HOUSE OF REPRESENTATIVES

SATURDAY, SEPTEMBER 23, 1961

(Legislative day of Friday, September 22, 1961)

The recess having expired, the House was called to order by the Speaker pro tempore at 10 o'clock a.m.

The SPEAKER pro tempore. Without objection, the Chaplain will offer the prayer.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Genesis 31: 49: *The Lord watch between thee and me, when we are absent one from another.*

O Thou God of all majesty, in these closing days of the 87th Congress, we are again turning to Thee in prayer for Thou art the strength and support of the faithful in every generation.

We are rendering unto Thee our gratitude for the high and holy privilege we have had walking and working together as colleagues and comrades in the service of our God, our country, and humanity.

Bestow upon us all the benediction of Thy peace and the diadem of Thy praise, "Well done, thou good and faithful servant."

Give Thy special blessing to our beloved Speaker, whom we are daily re-

membering in prayer, beseeching Thee to grant unto him Thy healing ministry and the manifestations of Thy grace.

May the Lord bless us and keep us; may the Lord make His face to shine upon us, and be gracious unto us; may the Lord lift upon us the light of His countenance and give us peace. Amen.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 8558. An act to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes; and

H. Con. Res. 389. Concurrent resolution endorsing the World Economic Progress Exposition.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 521. An act for the relief of Charles J. Utterback.

The message also announced that the Senate agrees to the amendments of the House numbered 1, 2, 5, and 6 to the concurrent resolution (S. Con. Res. 31) entitled "Concurrent resolution relating to certain aliens."

The message also announced that the Senate disagrees to the amendments of

the House numbered 3 and 4 to the above-entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4750) entitled "An act to amend section 6(a) of the Virgin Islands Corporation Act."

CALL OF THE HOUSE

Mr. ANDERSEN of Minnesota. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 224]

Abernethy	Bromwell	Dent
Adair	Buckley	Devine
Alford	Burke, Ky.	Diggs
Alger	Byrnes, Wis.	Dingell
Anfuso	Cahill	Dominick
Ashley	Carey	Dooley
Barry	Cederberg	Feighan
Bass, N.H.	Celler	Findley
Bass, Tenn.	Chiperfield	Fino
Becker	Collier	Frazier
Bell	Colmer	Glenn
Bennett, Mich.	Cooley	Goodell
Berry	Corbett	Gray
Blatnik	Corman	Green, Oreg.
Blitch	Curtis, Mo.	Griffin
Boggs	Daniels	Griffiths
Bolton	Davis, Tenn.	Hagan, Ga.

Hall	McDowell	Rodino
Halpern	McIntire	Roosevelt
Hansen	McSweeney	Rostenkowski
Harrison, Va.	McVey	St. George
Harvey, Ind.	Macdonald	Santangelo
Harvey, Mich.	MacGregor	Saund
Hays	Martin, Mass.	Schenck
Herlong	Martin, Nebr.	Shelley
Hiestand	Meador	Short
Hoeben	Michel	Siler
Hoffman, Mich.	Miller, N.Y.	Sisk
Hollfield	Montoya	Smith, Calif.
Holtzman	Morrison	Smith, Va.
Horan	Moss	Sullivan
Hull	Moulder	Teague, Calif.
Johnson, Wis.	Multer	Thompson, La.
Jones, Mo.	Neisen	Tollefson
Karh	Norblad	Tuck
Kearns	Osmers	Tupper
Keith	Pelly	Van Pelt
Kelly	Pilcher	Vinson
Keogh	Pillion	Wallhauser
Kilburn	Pirnie	Weaver
Kilday	Poage	Westland
Kowalski	Powell	Wharton
Kyl	Quile	Williams
Landrums	Rabaut	Wright
Lankford	Rains	Young
Libonati	Reifel	Younger
Lindsay	Reuss	Zelenko
Loser	Riehlman	
McDonough	Riley	

The SPEAKER pro tempore. On this rollcall 289 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MUTUAL SECURITY APPROPRIATION BILL

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, I wish to say again, as I did on Thursday, that it is not the foreign aid appropriation bill that is holding up adjournment. The public works appropriations bill is only now being considered by the Senate. The final supplemental appropriation bill is yet to be considered by the Senate. However, Mr. Speaker, the aggregate of funds involved in these three appropriation bills amounts to approximately \$9 billion. Therefore, it is certainly going to take some time—and the American public would expect us to take some time—to iron out the differences between the House and Senate bills in conference. However, I want the Members of the House to know that it is not the bill that I have the honor of handling, as chairman of the Foreign Operations Appropriations Subcommittee, that is holding up adjournment. As soon as the conferees for the other body can arrange for another conference session, I can assure the membership of this body that the conferees on the part of the House are ready to meet with them and try to sustain as nearly as possible the position of the House in this matter. The Members may be certain that we will not succumb to pressure, nor will we capitulate to unreasonable demands. What we will do is to continue to negotiate in good faith toward reaching a compromise that is as sound and sensible as, in the circumstances, we can make it.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I am delighted to yield to the distinguished minority leader.

Mr. HALLECK. Do I understand from what the gentleman has said that if these other matters could be disposed of during the day the gentleman could give us some reasonable assurance that the mutual security appropriation bill which the gentleman is handling could likewise be disposed of today?

Mr. PASSMAN. I can assure the gentleman that the House conferees are ready to go to conference any minute that the conferees in the other body are ready to see us. I certainly hope that we can reach an agreement without unnecessarily continued prolonged debate and negotiations.

NO SINE DIE ADJOURNMENT

Mr. ANDERSEN of Minnesota. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ANDERSEN of Minnesota. Mr. Speaker, to say that this 1st session of the 87th Congress has been highly eventful during the past 9 months, is a gross understatement.

Since Congress convened last January we have seen a new and youthful President inaugurated; historical space flights by American and Russian astronauts; tragic American defeats in Cuba, Laos, Vietnam, and Vienna; and at this very moment we are witnessing a crisis in Berlin and the resumption of nuclear tests, all caused by the Soviets.

During the next 3 months even greater and more serious and more significant events will likely occur. America may be faced with new, and even more serious national and international events.

If we, the Congress, adjourn within the next few days we will be turning over to this new young President the decision as to when our affairs become serious enough to warrant the calling of a special session.

Mr. Speaker, I have confidence in our new President, but I am not sure that we, the Members of Congress, should be so confident of his judgment and his ability on international and foreign affairs that we relax, adjourn, and go home and turn all the affairs of state over to just one man.

Where, during the past 8 months since January 20, has the President exhibited such ability in handling our foreign affairs that it would cause us to feel safe in going home and leaving everything in his hands? Certainly not in Cuba.

Mr. Speaker, this session of the Congress has been delayed and dragged out, purposely, because of the world crisis. We have had short day sessions lasting only an hour or two on many occasions; we have met on only two Saturdays during the entire session. All this, in order to stay in session during this critical period of our history. Yet now, with the world situation in a more serious state, in a more critical state, than perhaps it has

ever been, we make haste to quit and go home. I, for one, Mr. Speaker, believe that it is a mistake to adjourn under these circumstances. I would suggest instead that we recess subject to the call of the leadership of both parties.

CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (S. Con. Res. 31) relating to certain aliens, with House amendments thereto and recede from House amendments Nos. 3 and 4.

The Clerk read the title of the concurrent resolution.

The Clerk read House amendments Nos. 3 and 4, as follows:

Page 3, strike out line 9.

Page 4, strike out line 19.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. GROSS. Mr. Speaker, reserving the right to object, is this the bill that has been kicking around for quite awhile?

Mr. WALTER. This is a different bill. This is a resolution authorizing the adjustment of status and the House was hesitant about two cases until we received a report from one of the agencies.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I move that the House recede from its amendments Nos. 3 and 4.

The motion was agreed to.

A motion to reconsider was laid on the table.

TOP-LEVEL POSITIONS IN THE GOVERNMENT

Mr. JAMES C. DAVIS. Mr. Speaker, I call up the conference report on the bill (H.R. 7377) to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1261)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7377) entitled "An Act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and

on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—POSITIONS IN TOP GRADES OF CLASSIFICATION ACT OF 1949"

"Congressional findings and declaration of policy with respect to top grades of Classification Act of 1949"

"Sec. 101. (a) The Congress hereby finds that—

"(1) the public interest requires that effective limitations and controls be established and maintained with respect to the allocation of positions—whether by law or by administrative action—to grades 16, 17, and 18 of the Classification Act of 1949—the so-called top grades below the Federal executive level in the Government service—in order to prevent the unwarranted allocation of positions to such grades and to promote efficiency and economy in the operation of the Government;

"(2) one of the principal purposes of the Classification Act of 1949, as originally enacted and as amended from time to time, was, and continues to be, the establishment and maintenance, by specific provisions of such Act, of a coordinated and comprehensive authority and control over the allocation of positions to these top grades of such Act;

"(3) under the rules of the Senate and the rules of the House of Representatives, as applicable, and the Legislative Reorganization Act of 1946, the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives are vested with exclusive legislative jurisdiction, and charged with the duty of exercising legislative oversight and supervision, with respect to all matters within the purview of the Classification Act of 1949 and the administration thereof, including the allocation of positions to these top grades of such Act;

"(4) this legislative authority, duty, and jurisdiction of such committees, and the orderly and established legislative processes of the Congress generally in this respect, are being undermined by the increasing practice, resulting from certain solicitations from individual departments and agencies in the executive branch and elsewhere, of allocating additional numbers of positions to such top grades by means of appropriation Acts and other laws and reorganization plans (other than the Classification Act of 1949) which disregard the numerical limitations or the standards and procedures, or both, with respect to the allocation of positions to such grades;

"(5) at the present time, therefore, the pertinent provisions of the Classification Act of 1949 do not reflect, even by approximation, the existing state of the law with respect to the total number of positions which may be allocated to the top grades of such Act; and

"(6) this state of affairs subverts and undermines the object and purpose of the Classification Act of 1949 with respect to the allocation of positions to such top grades of such Act.

"(b) It is, therefore, hereby declared to be the sense of the Congress—

"(1) that the matter of requesting the allocation of additional numbers of positions to the top grades of the Classification Act of 1949, whether by groups of positions or on an individual basis, is properly within

the jurisdiction of those standing committees of the Senate and House of Representatives having jurisdiction over the Classification Act of 1949 in accordance with orderly and established legislative processes—the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives;

"(2) that the Director of the Bureau of the Budget, the United States Civil Service Commission, and other authority designated by the President exercise to the fullest extent the authority and responsibility of disapproving requests of the departments and agencies in the executive branch for individual exceptions (to be attained through the enactment of laws outside the jurisdiction of the committees above referred to) from the numerical limitations or the standards and procedures, or both, imposed by the Classification Act of 1949 with respect to the allocation of positions to the top grades of such Act; and

"(3) that, if need should develop for increasing such numerical limitations or waiving such standards or procedures, or both, in any case or cases, the matter should be presented promptly to the Congress in a manner consistent with the legislative authority, duty, responsibility, and jurisdiction of the respective Committees on Post Office and Civil Service of the Senate and House of Representatives.

"Increase in number of authorized top grade positions under Classification Act of 1949"

"Sec. 102. (a) Subsection (b) of section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105(b)), relating to the maximum number of positions authorized at any one time for grades 16, 17, and 18 of the General Schedule of such Act, is amended to read as follows:

"(b) Subject to subsections (c), (d), (e), (f), (g), and (j) of this section, a majority of the Civil Service Commissioners are authorized to establish and, from time to time, revise the maximum numbers of positions (not to exceed an aggregate of nineteen hundred and eighty-nine) which may be in grades 16, 17, and 18 of the General Schedule at any one time, except that under such authority—

"(1) not to exceed 25 per centum of such aggregate number may be placed in grade 17 and not to exceed 10 per centum of such aggregate number may be placed in grade 18;

"(2) fifty of such positions shall be available only for allocation, with the approval of the President, for agencies or functions created after the date of enactment of this subparagraph;

"(3) fourteen of such positions shall be available only for allocation to the United States Arms Control and Disarmament Agency;

"(4) six of such positions shall be available only for allocation to the Immigration and Naturalization Service of the Department of Justice; and

"(5) four of such positions shall be available only for allocation to the Federal Home Loan Bank Board."

"(b) Subsection (j) of such section 505, as amended (5 U.S.C. 1105(j)), relating to positions authorized for the Department of Defense in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, is amended by striking out 'three hundred seventy-two positions' and inserting in lieu thereof 'four hundred seven positions.'

(c) Such section 505, as amended, is amended by adding at the end thereof the following new subsection:

"(m) In any case in which, during the Eighty-seventh Congress, provisions are included in any Act of Congress (other than those contained in this Act) which authorize any agency of the Government to place ad-

ditional positions in grade 16, 17, or 18 of the General Schedule, the Commission is authorized and directed to withdraw from such agency the allotments of a number of positions (equal to the number of such additional positions authorized under such Act of Congress) made by the Commission for such agency out of the number of positions authorized by subsection (b) of this section, to the extent possible in the light of the number of positions so allotted to such agency and in the light of the number of such additional positions authorized under such Act of Congress."

"Conforming changes in existing law"

"Sec. 103. The following provisions of law are hereby repealed:

"(1) Subsections (f), (k), and (l) of section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105 (f), (k), and (l)), authorizing five positions, two hundred and sixty positions, and twenty-five positions in grades 16, 17, and 18 of the General Schedule of such Act for the National Security Council, the Department of the Treasury, and the Interstate Commerce Commission, respectively.

"(2) Sections 202(b) and 302(j) of the Federal Aviation Act of 1958 (72 Stat. 742 and 747; 49 U.S.C. 1322(b) and 1343(h)), authorizing eight positions and seventy positions in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949 for the Civil Aeronautics Board and the Federal Aviation Agency, respectively.

"(3) The last sentence of section 5(a) of the Small Business Act (72 Stat. 385; 15 U.S.C. 634(a)), authorizing fifteen positions in grades 16, 17, and 18 of such General Schedule for the Small Business Administration.

"(4) Section 205(a)(11) of the National Capital Transportation Act of 1960 (74 Stat. 543; Public Law 86-669), authorizing five positions in grades 16, 17, and 18 of such General Schedule for the National Capital Transportation Agency.

"(5) The proviso in the paragraph under the heading 'FEDERAL POWER COMMISSION' and under the subheading 'SALARIES AND EXPENSES' in title I of the Independent Offices Appropriation Act, 1961 (74 Stat. 429; Public Law 86-626), authorizing six positions in grades 16, 17, and 18 of such General Schedule for the Federal Power Commission.

"(6) The proviso in the paragraph under the heading 'CIVIL AERONAUTICS BOARD' and under the subheading 'SALARIES AND EXPENSES' in title III of the Department of Commerce and Related Agencies Appropriation Act, 1959 (72 Stat. 237; 49 U.S.C. 1322, note), authorizing ten positions in such grades 16, 17, and 18 for the Civil Aeronautics Board.

"(7) Subsection (b) of the first section of the Act of September 23, 1959 (73 Stat. 700; 5 U.S.C. 1105, note; Public Law 86-377), containing certain provisions with respect to positions in such grades 16, 17, and 18 in the Department of Defense, which reads as follows:

"(b) The total number of positions authorized by section 505(b) of the Classification Act of 1949, as amended (5 U.S.C. 1105 (b)), to be placed in grades 16, 17, and 18 of the General Schedule of such Act at any time shall be deemed to have been reduced by the number of positions in such grades allocated to the Department of Defense immediately prior to the date of enactment of this Act. The respective number of positions authorized by such section 505(b) to be placed in grades 17 and 18 of such schedule at any one time shall be deemed to have been reduced by the respective number of positions in such grades allocated to the Department of Defense immediately prior to the date of enactment of this Act."

"(8) That part of the first sentence of section 601 of the Supplemental Defense Appro-

priation Act, 1958 (72 Stat. 8; 10 U.S.C. 1581, note) authorizing the Secretary of Defense to place ten positions in such grades 16, 17, and 18, which reads as follows: 'and to place ten positions in grades 16, 17, or 18 of the General Schedule, in accordance with the procedures prescribed in the Classification Act of 1949, as amended'.

"(9) The last paragraph under the heading 'GENERAL SERVICES ADMINISTRATION' in title I of the Independent Offices Appropriation Act, 1957 (70 Stat. 345; Public Law 623, Eighty-fourth Congress), authorizing ten positions in grade 16 of the General Schedule of the Classification Act of 1949 for the General Services Administration.

"(10) That part of the second sentence of section 3 of Reorganization Plan Numbered 1 of 1958, effective July 1, 1958 (72 Stat. 1800; 23 F.R. 4991), authorizing not to exceed ten positions of regional director of the regional offices of the Office of Civil and Defense Mobilization to receive compensation under the Classification Act of 1949 without regard to the numerical limitations on positions in section 505 of such Act, which reads as follows: 'except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105)'.

"(11) The paragraph under the heading 'COMMODITY CREDIT CORPORATION' in chapter I of the Supplemental Appropriation Act, 1956 (69 Stat. 451; 15 U.S.C. 714h, note), authorizing the position of sales manager in the Commodity Credit Corporation to be placed in grade 17 of the General Schedule of the Classification Act of 1949.

"(12) Section 302 of the Act of July 31, 1956 (70 Stat. 743; 5 U.S.C. 517c), authorizing three positions of Deputy Administrator of the Agricultural Research Service, Department of Agriculture, to be placed in grade 18 of such General Schedule.

"(13) That part of the first paragraph of section 205 of the Public Works Appropriation Act, 1958 (71 Stat. 423; Public Law 85-167), which reads as follows: 'the position of Administrator of the Southeastern Power Administration shall be in grade GS-18 of the Classification Act of 1949, as amended, but without regard to the numerical limitation contained in section 505 of said Act'.

"(14) That part of the sixth sentence of section 3(a) of the Fish and Wildlife Act of 1956 (70 Stat. 1120; 16 U.S.C. 742b(a)), authorizing the position of Director of the Bureau of Commercial Fisheries, and of Director of the Bureau of Sport Fisheries and Wildlife, United States Fish and Wildlife Service, Department of the Interior, to be placed in grade 17 of the General Schedule of the Classification Act of 1949, which reads: 'at Grades GS-17 each'.

"(15) The second proviso in the paragraph under the heading 'Civil Aeronautics Administration' and under the subheading 'Operation and regulation' in title I of the Department of Commerce and Related Agencies Appropriation Act, 1959 (72 Stat. 228; 49 U.S.C. 1343, note), authorizing ten positions in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949.

"Savings provisions"

"Sec. 104. (a) The changes in existing law made by sections 102 and 103 of this title shall not affect any position existing immediately prior to the effective date of such changes in existing law, the compensation attached to such position, and any incumbent thereof, his appointment thereto, and his entitlement to receive the compensation attached thereto, until appropriate action is taken in accordance with this title.

"(b) Positions in grades 16, 17, or 18, as the case may be, of the General Schedule of the Classification Act of 1949, as amended, immediately prior to the effective date of this section, shall remain, on and after such

effective date, in their respective grades, until appropriate action is taken under section 505 of the Classification Act of 1949 as in effect on and after such effective date.

"TITLE II—SCIENTIFIC AND PROFESSIONAL POSITIONS AND POSITIONS OF A SECURITY NATURE"

"Increase in number of positions of a security nature in the National Security Agency under the Act of May 29, 1959"

"SEC. 201. Section 2 of the Act of May 29, 1959 (73 Stat. 63; Public Law 86-36), authorizing the Secretary of Defense to establish positions in the National Security Agency, is amended by striking out 'Not more than fifty such officers and employees shall be paid basic compensation at rates equal to rates of basic compensation contained in grades 16, 17, and 18 of such General Schedule.' and inserting in lieu thereof the following: 'Not more than sixty-five such officers and employees shall be paid basic compensation at rates equal to rates of basic compensation contained in grades 16, 17, and 18 of such General Schedule.'"

"Increase in number of scientific and professional positions under the Act of August 1, 1947 (Public Law 313, Eightieth Congress)"

"SEC. 202. The Act of August 1, 1947 (Public Law 313, Eightieth Congress), as amended (5 U.S.C. 1161-1163), is amended to read as follows:

"That (a) the Secretary of the Interior is authorized to establish and fix the compensation for not more than eight scientific or professional positions in the Department of the Interior, each such position being established to effectuate those research and development functions of such department which require the services of specially qualified personnel.

"(b) The Secretary of Agriculture is authorized to establish and fix the compensation for not more than twenty scientific or professional positions in the Department of Agriculture, each such position being established to effectuate those research and development functions of such department which require the services of specially qualified personnel.

"(c) The Secretary of Health, Education, and Welfare is authorized to establish and fix the compensation for not more than thirteen scientific or professional positions in the Department of Health, Education, and Welfare, each such position being established to effectuate those research and development functions of such department which require the services of specially qualified personnel.

"(d) The Secretary of Commerce is authorized to establish and fix the compensation for not more than thirty scientific or professional positions in the Department of Commerce, of which not less than five shall be for the United States Patent Office in its examining and related activities, each such position being established to effectuate those research and development functions of such department which require the services of specially qualified personnel.

"(e) The Postmaster General is authorized to establish and fix the compensation for not more than three scientific or professional positions in the Post Office Department, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel.

"(f) The Director of the United States Arms Control Agency is authorized to establish and fix the compensation for not more than fourteen scientific or professional positions in the United States Arms Control Agency, each such position being established to effectuate those research and development functions of such agency which require the services of specially qualified personnel.

"SEC. 2 (a) Positions created pursuant to this Act shall be included in the competitive civil service of the United States, but appointments to such positions shall be made without competitive examination upon approval of the proposed appointee's qualifications by the United States Civil Service Commission or such officers and agents as the Commission may designate for this purpose.

"(b) The rates of compensation for positions established pursuant to the provisions of this Act shall not be less than \$12,500 per annum nor more than \$19,000 per annum and shall be subject to the approval of the United States Civil Service Commission.

"(c) In any case in which, subsequent to February 1, 1958, provisions are included in a general appropriation Act authorizing an agency of the Government referred to in this Act to establish and fix the compensation of scientific or professional positions similar to those authorized by this Act, the number of such position authorized by this Act shall, unless otherwise expressly provided, be deemed to have been reduced by the number of positions authorized by the provisions of such appropriation Act.

"SEC. 3. The head of each department or agency authorized to establish and fix the compensation of positions under this Act shall submit to the Congress, not later than December 31 of each year, a report setting forth the number of positions established pursuant to this Act in his department or agency during that calendar year, and the name, rate of compensation, and description of the qualifications of each incumbent, together with a statement of the functions performed by each. In any instance in which any such department or agency head may consider full public report on these items detrimental to the national security, such department or agency head is authorized to omit such items from his annual report and, in lieu thereof, to present such information in executive sessions of such committees of the Senate and House of Representatives as the presiding officers of those bodies shall designate."

"Increase in number of scientific and professional positions in Department of Defense under section 1581(a) of title 10, United States Code"

"SEC. 203. Section 1581(a) of title 10 of the United States Code, authorizing the Secretary of Defense to establish not more than four hundred fifty scientific and professional positions in the Department of Defense, is amended by striking out 'four hundred fifty civilian positions' and inserting in lieu thereof 'five hundred thirty civilian positions'.

"Increase in number of scientific and professional positions in the National Security Agency under the Act of May 29, 1959"

"SEC. 204. Section 4 of the Act of May 29, 1959 (73 Stat. 63; Public Law 86-36), authorizing the Secretary of Defense to establish not more than fifty scientific and professional positions in the National Security Agency, is amended by striking out 'fifty civilian positions' and inserting in lieu thereof 'sixty civilian positions'.

"Increase in number of scientific and professional positions in the Federal Aviation Agency under section 302(h) of the Federal Aviation Act of 1958"

"SEC. 205. (a) Section 302(h) of the Federal Aviation Act of 1958 (72 Stat. 746; 49 U.S.C. 1343(f)), authorizing the Administrator of the Federal Aviation Agency to establish not more than fifteen scientific and professional positions in the Federal Aviation Agency, is amended by striking out 'fifteen positions' and inserting in lieu thereof 'twenty positions'.

"(b) Section 302(f) of the Federal Aviation Act of 1958 (72 Stat. 746; 49 U.S.C.

1343(d)), which provides for not to exceed ten positions in the Federal Aviation Agency at rates of annual compensation of not to exceed \$19,500, is amended by striking out 'ten positions' and inserting in lieu thereof 'twenty-three positions'.

"Increase in number of scientific, engineering, and administrative positions in the National Aeronautics and Space Administration under section 203(b)(2) of the National Aeronautics and Space Act of 1958

"Sec. 206. (a) Section 203(b)(2) of the National Aeronautics and Space Act of 1958 (72 Stat. 429; 42 U.S.C. 2473(b)(2)), authorizing the Administrator of the National Aeronautics and Space Administration to establish not more than two hundred and ninety scientific, engineering, and administrative positions in the National Aeronautics and Space Administration, is amended by striking out 'thirteen' and inserting in lieu thereof 'thirty', and by striking out 'two hundred and ninety' and inserting in lieu thereof 'four hundred and twenty-five' (of which not to exceed three hundred and fifty-five may be filled prior to March 1, 1962 and not to exceed three hundred and ninety may be filled prior to July 1, 1962)."

"(b)(1) The Administrator of the National Aeronautics and Space Administration shall submit to the Congress not later than forty-five days after the close of each fiscal year a report which sets forth, as of the close of such fiscal year—

"(A) the number of positions established under section 203(b)(2) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)(2));

"(B) the name, rate of compensation, and description of the qualifications of each incumbent of each position established under such section 203(b)(2), together with the position title and a statement of the duties and responsibilities performed by each such incumbent;

"(C) the position or positions in or outside the Federal Government held by each such incumbent, and his rate or rates of compensation, during the five-year period immediately preceding the date of appointment of such incumbent to such position; and

"(D) such other information as the Administrator may deem appropriate or which may be required by the Congress or a committee thereof.

Nothing contained in this subsection shall require the resubmission of any information required under subparagraphs (B) and (C) of this subsection which has been reported pursuant to this subsection and remains unchanged.

"(2) In any instance in which the Administrator may find full public disclosure of any or all of the matter covered by paragraph (1) of this subsection to be detrimental to the national security, the Administrator is authorized—

"(A) to omit in such report those matters with respect to which full public disclosure is found to be detrimental to the national security;

"(B) to inform the Congress of such omission; and

"(C) at the request of any congressional committee to which such report is referred, to present all information concerning such matters.

"Increase in number of employees of National Aeronautics and Space Council under section 201(f) of the National Aeronautics and Space Act of 1958

"Sec. 207. Section 201(f) of the National Aeronautics and Space Act of 1958 (72 Stat. 428; 42 U.S.C. 2471(f)), authorizing the executive secretary of the National Aeronautics and Space Council to employ not to exceed three persons at rates of annual compensa-

tion of not to exceed \$19,000, is amended by striking out 'three' and inserting in lieu thereof 'seven'.

"TITLE III—REALIGNMENT OF COMPENSATION OF CERTAIN POSITIONS UNDER THE CLASSIFICATION ACT OF 1949 AND THE FEDERAL EXECUTIVE PAY ACT OF 1956

"Removal of certain positions from the purview of the Federal Executive Pay Act of 1956

"Sec. 301. Section 107(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2206(a)), providing annual compensation of \$17,500 for certain positions, is amended by striking out the following paragraphs:

"(2) Administrator, Bonneville Power Administration."

"(3) Administrator, Farmers' Home Administration."

"(4) Administrator, Soil Conservation Service, Department of Agriculture."

"(9) Chief Forester of the Forest Service, Department of Agriculture."

"(10) Chief of Staff of the Joint Committee on Internal Revenue Taxation."

"(11) Commissioner of Customs."

"(12) Commissioner, Federal Supply Service, General Services Administration."

"(14) Commissioner of Narcotics."

"(15) Commissioner, Public Buildings Service."

"(17) Commissioner of Reclamation."

"(22) Manager, Federal Crop Insurance Corporation, Department of Agriculture; and

"(23) Director of Coal Research, Department of the Interior."

"Conforming changes in existing law

"Sec. 302. (a) The proviso contained in the first sentence of section 5(d) of the Farm Credit Act of 1953, as amended (73 Stat. 387; 12 U.S.C. 636d(d)), providing annual compensation of \$17,500 for not more than three positions of deputy governor in the Farm Credit Administration, is amended to read as follows: 'Provided, That the salary of not more than three positions of deputy governor each shall be fixed by the Board at a rate not exceeding the maximum scheduled rate of the General Schedule of the Classification Act of 1949, as amended'.

"(b)(1) There is hereby repealed the second sentence of section 4201 of title 18 of the United States Code, providing annual compensation of \$17,500 for each member of the Board of Parole in the Department of Justice, which reads as follows: 'The annual rate of basic compensation of each member of the Board shall be \$17,500'.

"(2) The section heading of such section 4201 is amended by striking out 'salaries'.

"(3) The table of contents of chapter 311 of such title 18 is amended by striking out '4201. Board of Parole; members; salaries,' and inserting in lieu thereof

"4201. Board of Parole; members."

"(c) Notwithstanding any other provision of law, the rate of gross annual compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be an amount which is equal to \$17,500, as increased in the manner provided by section 4(r) of the Federal Employees Salary Increase Act of 1958 (72 Stat. 209; Public Law 85-462) and section 117(g) of the Federal Employees Salary Increase Act of 1960 (Part B of the Act of July 1, 1960; 74 Stat. 304; Public Law 86-568).

"(d) On and after the effective date of this subsection, section 116(a) of the Federal Employees Salary Increase Act of 1960 (Part B of the Act of July 1, 1960; 74 Stat. 303; Public Law 86-568) shall not be applicable with respect to the Deputy Director of the Administrative Office of the United States Courts.

"(e)(1) Section 106(b) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2205(b)), is amended by striking out

"(1) Architect of the Capitol."

"(2) Section 107(a) of such Act, as amended (5 U.S.C. 2206(a)), is amended by striking out

"(5) Assistant Architect of the Capitol."

"Readjustment of certain pay levels of the Federal Executive Pay Act of 1956

"Sec. 303. (a) Clause (4) of section 104(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2203(a)), is amended to read as follows:

"(4) Administrator of the Small Business Administration."

"(b) Clause (5) of section 106(a) of such Act (5 U.S.C. 2205(b)(5)) is repealed.

"(c) Section 106(b) of such Act is amended by adding at the end thereof the following:

"(17) Administrator, Farmers Home Administration."

"(18) Administrator, Soil Conservation Service, Department of Agriculture."

"(19) Chief Forester of the Forest Service, Department of Agriculture."

"(20) Commissioner of Customs."

"(21) Manager, Federal Crop Insurance Corporation, Department of Agriculture."

"(22) Deputy Administrator, Small Business Administration (4)."

"(23) Commissioner of the Indian Claims Commission (3)."

"(d) Section 106(c) of such Act (5 U.S.C. 2205(c)), providing annual compensation of \$18,000 for the Commissioners of the Indian Claims Commission, is hereby repealed.

"(e) Section 107(a) of such Act (5 U.S.C. 2206(a)), providing annual compensation of \$17,500 for certain positions, is amended by striking out '\$17,500' and inserting in lieu thereof '\$18,500'.

"(f) Section 107(b) of such Act (5 U.S.C. 2206(b)), providing annual compensation of \$17,000 for certain positions, is hereby repealed.

"(g) Section 106(a) of such Act (5 U.S.C. 2205(a)), providing annual compensation of \$20,000 for certain positions, is amended by inserting

"(48) General Counsel, United States Arms Control and Disarmament Agency."

"(49) Public Affairs Advisor, United States Arms Control and Disarmament Agency."

Immediately following

"(47) Commissioner of Education."

"(h) Section 105 of title 3 of the United States Code, providing for the compensation of certain assistants to the President, is amended by striking out '\$17,500' and inserting in lieu thereof '\$18,500'.

"Savings provisions

"Sec. 304. Except as provided by subsections (a), (c), (d), and (e), of section 302 of this title, each position specifically referred to in or covered by any amendment made by sections 301 and 302 of this title shall be placed in the appropriate grade of the General Schedule of the Classification Act of 1949, as amended, in accordance with the provisions of such Act. The incumbent of each such position immediately prior to the effective date of this section shall continue to receive the rate of basic compensation which he was receiving immediately prior to such effective date until he leaves such position or until he is entitled to receive compensation at a higher rate in accordance with law. When such incumbent leaves such position, the rate of basic compensation of each subsequent appointee to such position shall be determined in accordance with the Classification Act of 1949, as amended.

"Effective date

"Sec. 305. The foregoing provisions of this title (except section 303(g)) shall become effective at the beginning of the first pay period which begins on or after the sixtieth day following the date of enactment of this Act.

"TITLE IV—POSITIONS IN TOP SALARY LEVELS IN THE POSTAL FIELD SERVICE"

"Increase in number of authorized top salary level positions in the postal field service"

"SEC. 401. Section 3301 of title 39, United States Code, relating to the maximum number of positions authorized at any one time for salary levels 17, 18, 19, and 20 in the postal field service, is amended by adding at the end thereof the following new sentence: 'In addition to the number of positions prescribed by subparagraphs (2) to (5), inclusive, of this section, the Postmaster General is authorized to assign a total of not more than forty positions among salary levels 17, 18, 19, and 20 as he may determine.'"

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows: In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes."

And the Senate agree to the same.

TOM MURRAY,
JAMES C. DAVIS,
THADDEUS J. DULSKI,
DAVID N. HENDERSON,

Managers on the Part of the House.

OLIN D. JOHNSTON,
MIKE MONRONEY,
RALPH W. YARBOROUGH,
B. EVERETT JORDAN,
JENNINGS RANDOLPH,
FRANK CARLSON,
HIRAM L. FONG,
J. CALEB BOGGS,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7377) entitled "An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendments struck out all of the House bill after the enacting clause and inserted a substitute text and provided a new title for the House bill.

With respect to the amendment of the Senate to the text of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the text of the House bill and the text provided by the Senate amendment and that the Senate agree to the same.

Positions in top grade of Classification Act of 1949 and related positions.

Title I and section 201 of title II of the House bill relate to positions in the top grades of the Classification Act of 1949, as amended, and comparable positions.

Both the House bill and the Senate amendment amended (1) section 505 of the Classification Act of 1949, relating to the maximum number of positions which may be allocated to grades 16, 17, and 18 of the General Schedule of such act—the so-called top grades—and (2) the act of May 29, 1959 (73 Stat. 63), relating to positions at comparable salary

levels for the National Security Agency of the Department of Defense.

The House bill provided for increases in the numbers of positions in grades GS-16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, and comparable positions, as follows:

For the United States Civil Service Commission, for allocation pursuant to section 505(b) of such act, an increase of 370 such positions;

For the Department of Defense, an increase of 40 in the number of positions authorized by section 505(j) of such act;

For the National Security Agency of the Department of Defense, an increase of 20 in the number of positions authorized by the act of May 29, 1959 (73 Stat. 63) to be compensated at rates equal to the rates for such grades GS-16, 17, and 18;

For the Federal Home Loan Bank Board, an increase of 4 in the numbers of such positions presently allocated to the Board by the United States Civil Service Commission, and

For the United States Arms Control and Disarmament Agency, when created, 14 such positions.

The Senate amendment provided for increases in the numbers of positions in grades GS-16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, and comparable positions, as follows:

For the United States Civil Service Commission, for allocation pursuant to section 505 (b) of such Act, an increase of 419 such positions, of which 100 were subject to allocation only by the President of the United States;

For the Department of Defense, an increase of 28 in the number of such positions authorized by section 505(j) of such Act;

For the National Security Agency of the Department of Defense, an increase of 12 in the number of positions authorized by the Act of May 29, 1959 (73 Stat. 63) to be compensated at rates equal to the rates for such grades GS-16, 17, and 18; and

For the Immigration and Naturalization Service of the Department of Justice, 6 positions in such grade GS-16.

The conference agreement authorizes an aggregate of 480 additional positions in grades GS-16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended. Such aggregate number of additional positions comprises an increase of 430 in the number of positions authorized for allocation by the United States Civil Service Commission by section 505(b) of such act, of which increase 50 may be allocated only upon approval of the President and for agencies or functions created after the effective date of this agreement, 14 may be allocated only to the United States Arms Control and Disarmament Agency when created, 4 may be allocated only to the Federal Home Loan Bank Board, and 6 may be allocated only to the Immigration and Naturalization Service of the Department of Justice;

35 additional positions in such grades in the Department of Defense; and

15 additional such positions in the National Security Agency of the Department of Defense.

Section 102(c) of the House bill added subsections (m) and (n) to section 505 of the Classification Act of 1949 which provided 4 positions in grades 16, 17, and 18 for the Federal Home Loan Bank Board and fourteen positions in such grades for the new United States Arms Control and Disarmament Agency. These positions were to be in addition to the maximum aggregate number of such positions authorized by section 505(b) of the Classification Act of 1949.

The conference substitute eliminates the proposed new subsections (m) and (n), relating to the Federal Home Loan Bank Board and the United States Arms Control and Disarmament Agency, but adds subpara-

graphs (3) and (5) to section 505(b) of the Classification Act of 1949, which, in effect, earmark or set aside (within the maximum aggregate number of top grade positions rather than in addition thereto) 4 positions for allocation to the top grades of the Classification Act of 1949 by the civil service commissioners only to the Federal Home Loan Bank Board and fourteen positions for allocation to such grades by such commissioners only to the United States Arms Control and Disarmament Agency.

In addition, the conference substitute earmarks in like manner six positions for the Immigration and Naturalization Service of the Department of Justice. These positions were not specifically allocated in this manner by the House bill.

The Senate amendment proposed to amend section 505(b) of the Classification Act of 1949 to provide for an additional 100 top grade positions to be so classified upon a determination of the existence of a need for such positions by the President of the United States. The House bill, as introduced, contained a comparable provision which was not contained in the House bill as reported and as passed the House.

Section 102(a) of the conference substitute, in lieu of this so-called "Presidential pool," adds subparagraph (2) to section 505(b) of the Classification Act of 1949 which, in effect, provides that fifty of the number of top grade positions provided for by such section 505(b) shall be available only for allocation, with the approval of the President, for agencies or functions created after the date of enactment of the new subparagraph (2).

In addition, the Senate amendment contained the following sublimitations (not contained in the House bill) on the number of positions which may be placed in such grades, as follows: in grade 17, not to exceed 357 positions; in grade 18, not to exceed 160 positions.

Section 102(a) of the conference substitute adds subparagraph (1) to section 505(b) of the Classification Act of 1949 which provides percentage (instead of numerical) sublimitations to the effect that not to exceed 25 percent of the maximum aggregate number of positions which may be placed in the top grades of such Act may be placed in grade 17 and not to exceed 10 percent of such maximum number may be placed in grade 18.

SCIENTIFIC AND PROFESSIONAL POSITIONS AND POSITIONS OF A SECURITY NATURE

Title II of the House bill relates to scientific and professional positions and positions of a security nature.

Section 201 of the House bill, relating to certain positions in the National Security Agency for which rates of compensation shall be equal to rates of basic compensation for grades GS-16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, and the conference agreement with respect to such positions in the National Security Agency, are discussed above under the heading "Positions in Top Grades Of Classification Act Of 1949 And Related Positions."

Section 202 of the House bill increased the numbers of scientific and professional positions authorized by the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as amended (5 U.S.C. 1161-1163), for the Department of Defense by 85 new positions; for the Federal Aviation Agency by 10 new positions; and for the National Aeronautics and Space Agency by 65 new positions. The rates of compensation for all such positions were to be not less than \$12,500 nor more than \$19,000 per annum, except that with respect to such new positions for the Federal Aviation Agency (identified as "administrative and managerial") the maximum rate of compensation was not to exceed \$19,500 per annum.

The Senate amendment provided for 75 such new positions for the Department of Defense, 15 such new positions for the Federal Aviation Agency, 135 such new positions for the National Aeronautics and Space Agency, and 4 such new positions (not provided for in the House bill) for the National Aeronautics and Space Council.

The conference agreement provides for 80 such new positions for the Department of Defense, 13 such new positions for the Federal Aviation Agency, and 4 such new positions for the National Aeronautics and Space Council. The conference agreement also provides, with respect to the National Aeronautics and Space Agency, for the establishment of 65 such new positions on or before March 1, 1962; the establishment of 35 additional such new positions during the period beginning March 1, 1962, and ending June 30, 1962; and the establishment of 35 additional such new positions on or after July 1, 1962. Thus, the conference agreement will make available to the National Aeronautics and Space Agency an aggregate of 135 such new positions, of which 65 will be available before March 1, 1962, 100 will be available thereafter but before July 1, 1962, and the entire number of 135 will be available on and after July 1, 1962.

The salary range for all such new scientific and professional positions will be from \$12,500 to \$19,000 per annum, except that (1) the maximum salary for the 13 new positions provided for the Federal Aviation Agency will be \$19,500—the maximum rate presently in effect for the 10 existing positions of the same grades previously authorized for the Federal Aviation Agency—and (2) a maximum salary of \$21,000 per annum is authorized for not to exceed 17 of such new positions authorized for the National Aeronautics and Space Agency.

Section 3(a)(5) of the Senate amendment added a new subsection (j) to the first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), which authorized the Librarian of Congress to establish not more than four scientific or professional positions in the Library of Congress for research purposes. The House bill contained no such provision. The committee of conferees has eliminated these positions for the Library of Congress from the conference substitute. The matter of those additional positions for the Library of Congress will be given consideration in the future by the respective Committees on Post Office and Civil Service of the Senate and House of Representatives upon appropriate demonstration of a need therefor.

A comparative summary of the provisions of the House bill, the Senate amendment, and the conference agreement with respect to scientific and professional positions follows:

Agency	House passed	Senate passed	Conference
1. Department of the Interior.....	3	3	3
2. Department of Agriculture.....	5	3	5
3. Department of Health, Education, and Welfare.....	3	3	3
4. Department of Commerce.....	5	3	5
5. Post Office Department.....	3	3	3
6. Department of Defense.....	85	75	80
7. National Security Agency.....	10	10	10
8. Federal Aviation Agency:			
(a) Professional, \$19,500.....	10	15	13
(b) Scientific, \$19,000.....	5	5	5
9. National Aeronautics and Space Agency.....	65	135	135
10. Library of Congress.....	0	4	0
11. U.S. Arms Control Agency.....	14	0	14
12. National Aeronautics and Space Council.....	0	4	4

¹ Of this number 17 can be paid up to \$21,000 per year, making a total of 30 who can be paid at this rate. This Agency is authorized 65 immediately upon passage of this legislation, 35 more by Mar. 1, 1962, and the remaining 35 on and after July 1, 1962.

REALIGNMENT OF EXECUTIVE POSITIONS

Title III of the House bill removed 20 positions from the purview of section 107(a) of the Federal Executive Pay Act of 1956 and such positions, as a result, were to be within the purview of section 505 of the Classification Act of 1949, as amended, relating to positions in grades GS-16, -17, and -18 of the General Schedule of such Act. Title III increased the rates of compensation prescribed for 2 positions in section 106 (a) of the Federal Executive Pay Act of 1956 from \$18,000 to \$18,500; for 8 positions in section 107 (a) of such Act from \$17,500 to \$18,500; and for 4 positions in section 107 (b) of such Act from \$17,000 to \$18,000. Title III also added, in section 106 (a) of such Act, 2 additional positions for the United States Arms Control and Disarmament Agency, when created, at the \$20,000 rate of compensation prescribed in such section.

The Senate amendment removed no positions from the Federal Executive Pay Act of 1956. The Senate amendment, however, transferred 5 such positions from section 107(a) to section 106(b) of such Act, increasing the salaries of such positions from \$17,500 to \$19,000; transferred 1 position from section 106(a) to section 104(a) of such Act, increasing the salary from \$20,000 to \$21,000; transferred 4 positions from section 107(b) to section 106(b) of such Act, increasing the salaries from \$17,000 to \$19,000; and transferred 3 positions from section 106(c) to section 106(b) of such Act, increasing the salaries of 2 such positions from \$18,000 to \$19,000 and the salary of the third such position from \$18,500 to \$19,500.

The conference agreement adopts the provisions of Title III of the House bill with respect to 15 of the 20 positions which such title removed from section 107(a) of the Federal Executive Pay Act of 1956 and adopts the provisions of the Senate amendment with respect to the transfer of the remaining 5 of such 20 positions from such section 107(a) to section 106(b) of such Act. The conference agreement adopts the provisions of Title III of the House bill with respect to increases in rates of compensation for 8 positions in section 107(a) of such Act and with respect to the creation of 2 additional positions in section 106(a) of such Act of the United States Arms Control and Disarmament Agency. The conference agreement adopts the provisions of the Senate amendment with respect to the transfer of 1 position from section 106(a) to section 104(a) of such Act, with respect to the transfer of 4 positions from section 107(b) to section 106(b) of such Act, and with respect to the transfer of 3 positions from section 106(c) to section 106(b) of such Act.

Sections 302 (f) and (g) of the House bill amended section 202(e) of the Legislative Reorganization Act of 1946 and clause 28(c) of rule XI of the Rules of the House of Representatives to provide that the compensation of the professional and clerical staff members of the standing committees of the House of Representatives may be fixed at a rate not in excess of the maximum rate authorized by the Classification Act of 1949, as amended. The Senate amendment contained no such provision. The conference substitute eliminates these provisions of the House bill.

The committee of conference emphasizes that the elimination of these provisions is not intended to constitute a rejection of the objectives of these provisions on the merits. The committee recognizes the necessity of a joint meeting of representatives of the Committees on Post Office and Civil Service of the Senate and House for the further consideration of this matter in the interest of uniformity of treatment with respect to such committee employees in the House and Senate and in order to insure comparability

of talent and pay between the two Houses of Congress with respect to such employees.

With respect to the amendment of the Senate to the title of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment to such title set forth in the conference substitute which will reflect more accurately the provisions of the text of the conference substitute and that the Senate agree to the same.

TOM MURRAY,
JAMES C. DAVIS,
THADDEUS J. DULSKI,
DAVID N. HENDERSON,

Managers on the Part of the House.

Mr. JAMES C. DAVIS. Mr. Speaker, this conference report and the statement which has just been read give the salient facts as to the action of the conferees.

The conference committee in the final analysis have allowed 406 new super-grade positions for control by the Civil Service Commission in addition to those already in existence. That number of 406 was arrived at in this way. The number in the House bill for the Commission was 370. The number provided in the Senate bill was 319 plus 100 additional positions to be allotted to the President to be used as he might see fit. The conferees agreed with reference to the 100 which were to be allotted under the Senate bill to the President to reduce that number to 50, and further restricted it with the provision they would be allotted to the Civil Service Commission to be used only to perform new functions or fill supervisory positions in new agencies. Also, they should not be used or allotted by the Civil Service Commission except with the approval of the President. That was the disposition of that particular phase of the bill.

Six positions are allotted to the Immigration and Naturalization Service, 4 to the Federal Home Loan Bank Board, 14 to the U.S. Arms Control Agency, 35 to the Department of Defense, and 15 to the National Security Agency.

The bill also included a number of positions of the scientific and professional type, and in the windup 3 of these were allotted to the Department of the Interior, 5 to the Department of Agriculture, 3 to the Department of Health, Education, and Welfare, 5 to the Department of Commerce, 3 to the Post Office Department, 80 to the Defense Department, 10 to the National Security Agency, and 13 to the Federal Aviation Agency.

Five scientific positions to the Federal Aviation Agency.

One hundred and thirty-five positions to the National Aeronautics and Space Agency.

They were to be spaced out in this way:

Sixty-five of them are immediately available.

Thirty-five are to be available in March 1962.

The other 35 are to be available on and after July 1, 1962.

The Senate bill contained four of these positions for the Library of Congress, but the conferees ruled them out and none were allowed in the final analysis to the Library of Congress for the rea-

son, it was felt insufficient justification was made for these positions.

Fourteen of these positions go to the U.S. Arms Control Agency and four positions go to the National Aeronautics and Space Council.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Ohio.

Mr. BOW. Can the gentleman advise the House as to the increase in the number of supergrades allowed as compared to the bill as it left the House? How many more positions are there as compared to the number provided in the House bill?

Mr. JAMES C. DAVIS. The additional number of supergrades under the control of the Civil Service Commission now in the bill, as compared to the bill when it left the House, is the difference between 370 and 406, which would make it 36 positions.

Mr. BOW. That is, 36 positions under the civil service. Are there any other additional employees in the total bill? I would like to know how many more supergrades you have in total throughout the entire bill over and above what was in the bill when it passed the House.

Mr. JAMES C. DAVIS. There are 50 additional supergrade positions in addition to those in the bill when it left the House, consisting of 35 positions to the Department of Defense and 15 positions to the National Security Agency.

Mr. BOW. These are additions?

Mr. JAMES C. DAVIS. These are supergrade positions. I believe that is the information that the gentleman is asking for.

Mr. BOW. What I am trying to get out, I am saying to the gentleman from Georgia is the number of positions that the bill provided for as it passed the House and the additional positions contained in the bill now in all categories in the bill.

Mr. JAMES C. DAVIS. I am glad to say to the gentleman from Ohio that the number in the pool allotted to the Civil Service Commission in addition to the House passed number amounts to 36 positions.

There were also 50 more, as I stated, going to the Department of Defense and to the National Security Agency.

Mr. BOW. That would be a total of 86 additional positions over and above the number of positions that were included in the House bill; am I correct in that?

May I suggest to the gentleman we have the figure of 50; then under the National Security Agency we have 15; and 36 positions in the pool—that would make a total of 101 positions over and above the number of positions provided in the bill, as it passed the House; am I correct in that figure?

Mr. JAMES C. DAVIS. Does the gentleman have this mimeographed sheet from which I have been trying to give the gentleman this information? This mimeographed sheet is headed "Supergrade and Scientific Type Positions."

Mr. BOW. I will say to the gentleman I do not have it.

Mr. JAMES C. DAVIS. I will see that the gentleman has one.

Mr. BOW. I thank the gentleman. I think it is important that we know the increase over the number provided in the House bill.

Mr. GEORGE P. MILLER. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. I want to thank the gentleman for the way in which he has handled this report. We who are concerned with the National Scientific and Space Agency felt that these positions were necessary and should be made available immediately. I understand that was taken into consideration and we were given the positions we wanted. I appreciate the consideration the gentleman gave the Agency.

Mr. JAMES C. DAVIS. I will say to the gentleman from California that we discussed those positions in considerable detail. We regard them as being of great importance; and as I outlined in my previous statement the number requested was granted.

Mr. FULTON. If the gentleman will yield, may I as a member of the Science and Astronautics Committee thank the gentleman and his colleagues for their consideration. I believe in this time of crisis the National Astronautics and Space Agency is very vital to our security. We do need these positions in this Agency.

Mr. JAMES C. DAVIS. The conferees were of the same opinion as the gentleman has just stated.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. FRELINGHUYSEN. I wish to ask a question with respect to the Arms Control Agency. Is it correct that there is a total of 30 positions?

Mr. JAMES C. DAVIS. That is correct. There are 14 of the supergrade positions, 14 of the scientific type, and 2 in the Federal Executive Pay Act.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. ANDERSEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. ANDERSEN of Minnesota. How many overall new supergrade positions are provided in legislation we have adopted this year, including this before us?

Mr. JAMES C. DAVIS. The total in this bill is 480.

Mr. ANDERSEN of Minnesota. Additional new supergrades.

Mr. JAMES C. DAVIS. In this bill, yes.

Mr. ANDERSEN of Minnesota. May I ask the gentleman if we in any way have recommended to the executive department that they offset the cost of this proposed action by doing away with some nonessential jobs? Has the gentleman made any recommendation to the administration in that respect?

Mr. JAMES C. DAVIS. We have in many instances made such recommendations. There are no such recommendations in this conference report; but, as the gentleman probably knows, the Manpower Utilization Subcommittee has had many hearings this year and

likewise last year on the question of supergrades and positions generally. It is customary in the hearings before that subcommittee for the heads of agencies who appeared before us to be admonished constantly as to the need for the efficient utilization of these positions by not wasting them.

Mr. ANDERSEN of Minnesota. In other words, there has been no recommendation whatsoever toward eliminating nonessential jobs in order to take care of these supergrades, moneywise.

Mr. JAMES C. DAVIS. There is nothing in this report; but, as I stated previously, we are constantly reminding the heads of departments and agencies that this is a necessary step to take.

Mr. ANDERSEN of Minnesota. I am sure the gentleman is concerned about the fact that we are going to go at least \$7 billion in the red in 1962, is he not?

Mr. JAMES C. DAVIS. I surely am.

Mr. ANDERSEN of Minnesota. I know from the gentleman's past record that he is concerned.

I recall back in 1947 when the then President Truman vetoed the tax reduction bill in which we made a \$6,800 million gift to the taxpayers, rather than apply same on the national debt. I and one other, the late Mr. Hull, of Wisconsin, were the only Republicans to support Mr. Truman in that veto. Our two votes were the deciding votes. Consequently we made a temporary reduction of \$6,800 million in the then national debt.

I am disturbed about our fiscal responsibility, I might say to the gentleman from Georgia. That is why I am asking this question. I think it would be much better were we to take a recess rather than adjourn sine die.

I thank the gentleman for yielding to me. I want to serve notice here that it is my intention, whether we have a quorum or not, to force a vote on the adjournment resolution if it calls for an adjournment sine die rather than a recess subject to return at the call of the Speaker.

Mr. JAMES C. DAVIS. I would like to say in response to the observation of the gentleman that the number of supergrades requested in the legislation now before us was considerably reduced from the original request of the administration.

Mr. ANDERSEN of Minnesota. I do not impugn to the gentleman anything other than a strong sense of fiscal responsibility. I commend the gentleman for his past record.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. Mr. Speaker, I have served on the committee with the gentleman from Georgia. There is not a harder working member of the Committee on Post Office and Civil Service than the gentleman from Georgia. He has tried hard to keep these supergrades down. Personally, I am against supergrades. I do not think they belong in our classified employees setup. A lot of people say that we need them to bring some professional brainpower into the

Government. The fact is that the majority of these jobs are handpicked for employees already in the classified civil service, and it simply gives them an increase in salary. So with these supergrades, what we are doing is taking care of our present employees. This is simply an increase in the salary schedule. The rank-and-file workers are left out in the cold by the Congress. We ought to realize that is what we are doing by paying these higher salaries in a majority of cases to people who are already employees of the Federal Government and are already receiving rather fancy salaries in the higher brackets.

I thank the gentleman for yielding.

Mr. JAMES C. DAVIS. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Speaker, I take this time to state as one of the conferees for the House that I declined to sign the conference report, and I would like to address myself very briefly to the reasons for that action.

Mr. Speaker, it has been my privilege for 7 years to serve on the Manpower Utilization Subcommittee with the gentleman from Georgia [Mr. DAVIS]. I hold him in the highest regard. I know of his devotion to the purposes of trying to keep some restraint on the personnel of the Federal Government, particularly these higher levels.

The facts of the matter are that we did not come out of this conference very well. As I compute the figures, based on recapitulation just handed to us, and this is in answer to the gentleman from Ohio [Mr. BOW], we went in with a House total of supergrades and scientific types of positions of 696.

Mr. Speaker, the bill in the other body called for 728. The conference report, if my arithmetic is anywhere near accurate, calls for a total of 790. I do not regard that as a distinct victory for the House conferees. Not only with respect to that, but with respect to one particular item I respectfully declined to sign the conference report, as did the gentleman from Iowa [Mr. GROSS]. That was in the handling of the scientific type allocations for the National Aeronautics and Space Agency.

Mr. Speaker, the House proposal was for 65 additional supergrade positions for science. The other body proposed 135, with a stipulation that of this number 17 could be paid up to \$21,000 a year. The proposal was made that the 65 be granted as of the enactment of the bill and that 35 more be granted as of March 1st and the final 35 be granted as of July 1st.

We made what we thought was a very modest suggestion. By "we" I mean the gentleman from Iowa [Mr. GROSS], and I. We made the suggestion that the final 35 not be approved at this time but be subject to review at the next session, and the decision then made as to whether they should be granted. We were told in effect that we would lose the space race to Russia, and other dire and terrible things would happen if they did not have everything they asked for and have it on the basis of its being approved

now, even though the effective dates were to be spaced.

Mr. Speaker, I simply could not go along with that.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. JOHANSEN. I am glad to yield to the gentleman from Ohio.

Mr. BOW. The thing that disturbs me about legislation of this kind is the fact that this bill came before the House under suspension of the House rules. The House had no opportunity at all to work its will on this bill. Then, it goes to conference and comes back loaded with a lot more positions and increases in the total amount involved, which affects the budget of this country. I think this is the reason why the bill should not have come in here under suspension of the rules. I feel that the House should have an opportunity to work its will on legislation of this kind.

Mr. JOHANSEN. I want to say to the gentleman that I voted for the bill when it came before the House because I felt that it was at least in the nature of a vaccination against removal of all controls on supergrades. I thought on that basis it was justified as a protective and precautionary measure. Apparently the vaccination did not take.

Mr. Speaker, it is my intention to vote against the conference report.

Mr. SCRANTON. Mr. Speaker, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman from New York.

Mr. SCRANTON. In this group that has been set aside as a pool by the Civil Service Commission, is it very clear to the gentleman from Michigan [Mr. JOHANSEN], and the other members of the committee precisely where these people are going to be used, or was it just thought that they were essential for the operation of the Government.

Mr. JOHANSEN. If my recollection is correct, it is discretionary. The chairman, I hope, will correct me if I am wrong. It is discretion given to the Civil Service Commission on the showing of justification. There is discretion there. Fifty of these may be used for new functions or new agencies, if approved specifically by the President.

Mr. Speaker, we have preserved some degree of flexibility in that particular. We much preferred having this so-called Civil Service Commission pool than having what the other body referred to as a Presidential pool.

Mr. JAMES C. DAVIS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, when this bill was before the House I made it plain that I supported it with great reluctance. I supported the bill because, as the gentleman from Michigan [Mr. JOHANSEN] has well stated, I felt that we ought to try to devise some means of controlling these superduper grade positions, and this appeared to be the only avenue.

I was one of the conferees. I, too, refused to sign the conference report. One of the main reasons was the allocation of 135 supergrades and scientific and professional positions to the National

Aeronautics and Space Administration. I was willing to compromise, as was the gentleman from Michigan [Mr. JOHANSEN]. We were willing to enter into what we contended was a reasonable compromise but that was not acceptable. As my colleague from Michigan has stated, the conference report provides for 65, as the House voted, plus 35 on March 1 next year, plus another 35 on July 1 next year. In addition to that, 17 of these people will receive salaries of \$21,000 a year, for the first time. That makes a total of 30 individuals in NASA who will be paid \$21,000 per year and this is exclusive of the top layer of officials in this agency.

So, Mr. Speaker, I cannot support this conference report giving as it does 135, or 70 more of these high-salaried positions than the House provided, to the National Aeronautics and Space Administration, when the testimony of Mr. Webb, Director of that agency, was to the effect that 50 percent of the jobs which were sought would be used for promotions, not for the recruitment of new personnel—for promotions of those already in the agency.

Mr. Speaker, this bill was more than rich when it left the House in providing increased salaries. The conference report is not a compromise; it is another abdication of the position of the House of Representatives and I will, without hesitation, vote against it as I did in the conference with Members of the other body.

Mr. JAMES C. DAVIS. Mr. Speaker, the distinguished gentleman from Michigan [Mr. JOHANSEN] and the distinguished gentleman from Iowa [Mr. GROSS] are two of the most valued members of the House Post Office and Civil Service Committee, and of the Subcommittee on Manpower Utilization. As they stated, they declined to sign the conference report for reasons which they deemed sufficient. It was a matter of regret to me, of course, that these two distinguished and valued members of the subcommittee and of the conference committee did not see fit to sign the conference report. Their principal objections, as I understood it, grew out of the number of positions allotted to the NASA—135, which were spaced out, 65 positions available now, 35 on March 1 and 35 on July 1.

I was inclined, when the matter was first broached in the discussion before the conference committee, to take the same position. We reached the point in that discussion where it was stated, and I think very accurately so, that inasmuch as the rockets which will be developed by this agency will be of the nature to carry atomic warheads and weapons, and that it is conceded by some—although it is not my statement and I hope it is not correct—that we are behind the Russians in the development of rockets and rocket thrust, it was urgently recommended to us by the committee of which the gentleman from California [Mr. MILLER] is chairman, which committee has jurisdiction of NASA legislation, as well as by members of that committee, that the NASA already has

made arrangements to employ most of these 135 scientists and supergrade personnel to fill these positions. And they represented to us most urgently that that program would be delayed and hampered unless the total number of the 135 positions were provided for in this legislation. They pointed out that they cannot go out in a day and employ people to fill positions of this kind. They must look for them, they must search them out, they must have their security vouched for by the FBI, they must take all those precautions. The program must be planned a considerable time in advance in order for it to function effectively.

I felt that inasmuch as the Communists have made so much progress in the development of rockets and increased rocket thrust, if the program is to be hampered and delayed I did not want the responsibility to rest on my shoulders. For that reason, I changed my attitude, and went along and signed the majority report.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I am one of the senior members of the Science and Astronautics Committee. I have consulted with Mr. James E. Webb, head of the National Aeronautics and Space Administration, and have gone into these matters elsewhere. We on the Republican side of the Committee on Science and Astronautics feels that 70 additional positions of a scientific nature are necessary.

It should be pointed out that while this is a peacetime agency, nevertheless it has cognizance of the big booster program that is vital to the security of the United States of America. I would recommend to the House that it consider these jobs as necessary because we are going to be spending \$20 billion on the so-called Moon program. That means first the Mercury program, then the intermediate programs, which I will not go into, and then ending up where three men will be able in a capsule to navigate in space.

Whoever in the world gets complete control of space with orbiting vehicles going at 18,000 miles per hour from 90 to 350 miles above the Earth's surface can within 15 minutes destroy any city or military area in the world. We should remember that.

When we hear criticism of a trip to the Moon, we should remember that we have to get these maneuverable space vehicles. That is as much for defense as anything else. I assure the House that these 70 positions are necessary. I congratulate the gentleman from Georgia and his committee again on taking this step. In the long run it will be an economy-minded approach to the problem. I assure the gentlemen on the Republican side of the Committee on Post Office and Civil Service that we on the Science and Astronautics Committee are taking responsibility. We have followed it closely and will do so in the future.

Mr. JAMES C. DAVIS. I thank the gentleman.

Mr. Speaker, I move the previous question.

The previous question was ordered. The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. ANDERSEN of Minnesota), there were—ayes 98, noes 25.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. ALBERT). Evidently, no quorum is present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 229, nays 71, not voting 135, as follows:

[Roll No. 225]

YEAS—229

Addabbo	Gallagher	Montoya
Addonizio	Garmatz	Moorhead, Pa.
Albert	Gary	Morgan
Alexander	Gavin	Morris
Andrews	Glaimo	Morse
Arends	Gilbert	Mosher
Aspinall	Granahan	Murphy
Auchincloss	Grant	Murray
Avery	Gray	Natcher
Ayres	Green, Pa.	Nix
Bailey	Gubser	Norrell
Baker	Hagan, Ga.	O'Brien, Ill.
Baldwin	Hagen, Calif.	O'Brien, N.Y.
Barrett	Halleck	O'Hara, Ill.
Bates	Harding	O'Hara, Mich.
Battin	Hardy	Olsen
Beckworth	Harris	O'Neill
Bennett, Fla.	Healey	Ostertag
Blatnik	Hechler	Patman
Boland	Hemphill	Perkins
Bolling	Henderson	Peterson
Bolton	Holfield	Pfost
Bonner	Holland	Philbin
Boykin	Hosmer	Pike
Brademas	Huddleston	Price
Breeding	Ichord, Mo.	Pucinski
Brewster	Ikard, Tex.	Randall
Brooks	Inouye	Rhodes, Pa.
Broomfield	Jarman	Rivers, Alaska
Broyhill	Jennings	Rivers, S.C.
Burke, Mass.	Joelson	Roberts
Byrne, Pa.	Johnson, Calif.	Robison
Cahill	Johnson, Md.	Rogers, Colo.
Cannon	Jones, Ala.	Rogers, Tex.
Casey	Judd	Rooney
Chelf	Karsten	Roudebush
Chenoweth	Kastenmeier	Roush
Clark	Kearns	Rutherford
Coad	Kee	Ryan
Cohelan	Kilgore	St. Germain
Conte	King, Calif.	Saylor
Cook	King, Utah	Schneebell
Cramer	Kirwan	Schweiker
Curtin	Kluczynski	Scott
Curtis, Mass.	Kornegay	Seely-Brown
Daddario	Kowalski	Selden
Dague	Kunkel	Sheppard
Davis	Lane	Shipley
James C. Davis	Lankford	Sibal
Davis, John W.	Latta	Sikes
Dawson	Lennon	Sisk
Delaney	Lesinski	Slack
Denton	McCormack	Smith, Iowa
Dingell	McCulloch	Smith, Miss.
Donohue	McDowell	Spence
Downing	McFall	Springer
Doyle	McMillan	Staggers
Dulski	Mack	Steed
Dwyer	Madden	Stephens
Edmondson	Magnuson	Stratton
Elliott	Mahon	Stubblefield
Everett	Mailliard	Teague, Tex.
Fallon	Mathias	Thomas
Farbstein	May	Thompson, La.
Fenton	Morrow	Thompson, N.J.
Finnegan	Miller, Clem.	Thompson, Tex.
Flood	Miller	Thomson, Wis.
Flynt	George P. Mills	Thornberry
Fogarty	Milliken	Toll
Forrester	Mills	Trimble
Frelinghuysen	Minshall	Udall, Morris K.
Friedel	Moeller	Ullman
Fulton	Monagan	Vank

Van Zandt
Walter
Watts
Weis

Whitener
Whitten
Wickersham
Widnall

Willis
Wilson, Calif.
Yates
Zablocki

NAYS—71

Abbott	Durno	Moore
Andersen, Minn.	Ellsworth	Moorehead, Ohio
Anderson, Ill.	Fisher	Nygaard
Ashbrook	Ford	O'Konski
Ashmore	Fountain	Passman
Beermann	Gathings	Poff
Belcher	Goodling	Ray
Betts	Gross	Reece
Bow	Haley	Rhodes, Ariz.
Bray	Harrison, Wyo.	Rogers, Fla.
Bromwell	Harsha	Roussellot
Brown	Hoffman, Ill.	Schadeberg
Bruce	Jensen	Scherer
Burleson	Johansen	Scranton
Chamberlain	Jonas	Shriver
Church	King, N.Y.	Taber
Clancy	Kitchin	Taylor
Cunningham	Knox	Tuck
Derounian	Laird	Utt
Derwinski	Langen	Whalley
Dole	Lipscomb	Wilson, Ind.
Dominick	McVey	Winstead
Dorn	Marshall	
Dowdy	Mason	
	Matthews	

NOT VOTING—135

Abernethy	Griffin	Norblad
Adair	Griffiths	Osmer
Alford	Hall	Pelly
Alger	Halpern	Pilcher
Anfuso	Hansen	Pillion
Ashley	Harrison, Va.	Pirnie
Baring	Harvey, Ind.	Poage
Barry	Harvey, Mich.	Powell
Bass, N.H.	Hays	Quile
Bass, Tenn.	Hebert	Rabaut
Becker	Herlong	Rains
Bell	Hiestand	Reifel
Bennett, Mich.	Hoeven	Reuss
Berry	Hoffman, Mich.	Riehlman
Blitch	Holtzman	Riley
Boggs	Horan	Rodino
Buckley	Hull	Roosevelt
Burke, Ky.	Johnson, Wis.	Rostenkowski
Byrnes, Wis.	Jones, Mo.	St. George
Carey	Karth	Santangelo
Cederberg	Keith	Saund
Celler	Kelly	Schenck
Chiperfield	Keogh	Schwengel
Collier	Kilburn	Shelley
Colmer	Kilday	Short
Cooley	Kyl	Siler
Corbett	Landrum	Smith, Calif.
Corman	Libonati	Smith, Va.
Curtis, Mo.	Lindsay	Stafford
Daniels	Loser	Sullivan
Davis, Tenn.	McDonough	Teague, Calif.
Dent	McIntire	Tollefson
Devine	McSweeney	Tupper
Diggs	Macdonald	Van Pelt
Dooley	MacGregor	Vinson
Evin	Martin, Mass.	Wallhauser
Fascell	Martin, Nebr.	Weaver
Feighan	Meader	Westland
Findley	Michel	Wharton
Fino	Miller, N.Y.	Williams
Frazier	Morrison	Wright
Garland	Moss	Young
Glenn	Moulder	Younger
Goodell	Multer	Zelenko
Green, Oreg.	Nelsen	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Morrison for, with Mr. Byrnes of Wisconsin against.

Mr. Loser for, with Mr. Hall against.

Mr. Keogh for, with Mr. Nelson against.

Mr. Bass of New Hampshire for, with Mr. Harrison of Virginia, against.

Mr. Barry for, with Mr. Kilburn against.

Mr. Feighan for, with Mrs. St. George against.

Mr. Buckley for, with Mr. Berry of South Dakota against.

Mr. Davis of Tennessee for, with Mr. Martin of Nebraska against.

Mr. Miller of New York for, with Mr. Williams against.

Mrs. Hansen for, with Mr. Michel against.

Mrs. Griffiths for, with Mr. Devine against.
Mr. Cooley for, with Mr. Alford against.
Mr. Celler for, with Mr. Wright against.
Mrs. Green for, with Mr. Alger against.

Until further notice:

Mr. Holtzman with Mr. Harvey of Indiana.
Mr. McSweeney with Mr. Martin of Massachusetts.

Mr. Burke with Mr. Horan.
Mr. Smith of Virginia with Mr. Schwengel.
Mr. Abernethy with Mr. McDonough.
Mr. Diggs with Mr. Reifel.
Mr. Pilcher with Mr. Weaver.
Mr. Moss with Mr. Adair.
Mr. Colmer with Mr. Short.
Mr. Dent with Mr. Younger.
Mr. Frazier with Mr. Keith.
Mr. Hays with Mr. Glenn.
Mr. Macdonald with Mr. Meader.
Mr. Hull with Mr. Hiestand.
Mr. Karth with Mr. Pirnie.
Mr. Poage with Mr. Schenck.
Mr. Santangelo with Mr. Teague of California.

Mr. Vinson with Mr. Curtis of Missouri.
Mr. Riley with Mr. Becker.
Mr. Landrum with Mr. Dooley.
Mr. Bass of Tennessee with Mr. Collier.
Mr. Shelley with Mr. Garland.
Mr. Anfuso with Mr. Hoffman of Michigan.
Mr. Fascell with Mr. Siler.
Mr. Hébert with Mr. Tupper.
Mr. Kilday with Mr. Pillion.
Mrs. Sullivan with Mr. Westland.
Mr. Herlong with Mr. Findley.
Mr. Roosevelt with Mr. Bell.
Mr. Boggs with Mr. Fino.
Mr. Zelenko with Mr. MacGregor.
Mr. Moulder with Mr. Kyl.
Mr. Johnson of Wisconsin with Mr. Chipfield.

Mr. Baring with Mr. Goodell.
Mr. Daniels with Mr. Hoeven.
Mr. Carey with Mr. Lindsay.
Mr. Young with Mr. Griffin.
Mr. Multer with Mr. Corbett.
Mr. Saund with Mr. Wharton.
Mr. Powell with Mr. Smith of California.
Mr. Blitch with Mr. Tollefson.
Mr. Evins with Mr. Wallhauser.
Mr. Rodino with Mr. Osmer.
Mr. Libonati with Mr. McIntire.
Mr. Rabaut with Mr. Norblad.
Mr. Kelly with Mr. Stafford.
Mr. Reuss with Mr. Pelly.
Mr. Rains with Mr. Harvey of Michigan.
Mr. Rostenkowski with Mr. Quile.
Mr. Reuss with Mr. Riehlman.

Mr. TAYLOR changed his vote from "yea" to "nay."

The vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

CORRECTIONS IN ENROLLMENT OF H.R. 7377

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 399) to make certain corrections in the enrollment of the bill (H.R. 7377).

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. ANDERSEN of Minnesota. Mr. Speaker, reserving the right to object, I do this simply for the purpose of informing the House that it is not my intention to force any more rollcalls

except on a resolution to adjourn sine die, if such a resolution is offered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 7377), to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes, the Clerk of the House is authorized and directed to make the following corrections:

In section 102(a), strike out "ten" and insert in lieu thereof "twelve".

In section 202, strike out "United States Arms Control Agency" and insert in lieu thereof "United States Arms Control and Disarmament Agency".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGES FROM THE SENATE

A further message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1186. An act to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 739) entitled "An act to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) entitled "An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes."

The message also announced that the Senate further insists upon its amendments to the bill (H.R. 258) entitled "An act to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes."

The message also announced that the Senate agrees to the further conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. MORSE, and Mr. PROUTY to be the conferees on the part of the Senate.

ARMS CONTROL ACT

Mr. MORGAN submitted the following conference report and statement on the bill (H.R. 9118) to establish a U.S. Arms Control Agency:

CONFERENCE REPORT (H. REPT. NO. 1263)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9118) to establish a United States Arms Control Agency, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—SHORT TITLE, PURPOSE, AND DEFINITIONS

"Short title

"SECTION 1. This Act may be cited as the 'Arms Control and Disarmament Act'.

"Purpose

"SEC. 2. An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments; in which the use of force has been subordinated to the rule of law; and in which international adjustments to a changing world are achieved peacefully. It is the purpose of this Act to provide impetus toward this goal by creating a new agency of peace to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament.

"Arms control and disarmament policy, being an important aspect of foreign policy, must be consistent with national security policy as a whole. The formulation and implementation of United States arms control and disarmament policy in a manner which will promote the national security can best be insured by a central organization charged by statute with primary responsibility for this field. This organization must have such a position within the Government that it can provide the President, the Secretary of State, other officials of the executive branch, and the Congress with recommendations concerning United States arms control and disarmament policy, and can assess the effect of these recommendations upon our foreign policies, our national security policies, and our economy.

"This organization must have the capacity to provide the essential scientific, economic, political, military, psychological, and technological information upon which realistic arms control and disarmament policy must be based. It must be able to carry out the following primary functions:

"(a) The conduct, support, and coordination of research for arms control and disarmament policy formulation;

"(b) The preparation for and management of United States participation in international negotiations in the arms control and disarmament field;

"(c) The dissemination and coordination of public information concerning arms control and disarmament; and

"(d) The preparation for, operation of, or as appropriate, direction of United States participation in such control systems as may become part of United States arms control and disarmament activities.

"Definitions

"SEC. 3. As used in this Act—

"(a) The terms 'arms control' and 'disarmament' mean the identification, verification, inspection, limitation, control, reduction, or elimination, of armed forces and armaments of all kinds under international

agreement including the necessary steps taken under such an agreement to establish an effective system of international control, or to create and strengthen international organizations for the maintenance of peace.

"(b) The term 'Government agency' means any executive department, commission, agency, independent establishment, corporation wholly or partly owned by the United States which is an instrumentality of the United States, or any board, bureau, division, service, office, officer, authority, administration, or other establishment in the executive branch of Government.

"(c) The term 'Agency' means the United States Arms Control and Disarmament Agency.

"TITLE II—ORGANIZATION

"United States Arms Control and Disarmament Agency

"SEC. 21. There is hereby established an agency to be known as the 'United States Arms Control and Disarmament Agency'.

"Director

"SEC. 22. The Agency shall be headed by a Director, who shall serve as the principal adviser to the Secretary of State and the President on arms control and disarmament matters. In carrying out his duties under this Act the Director shall, under the direction of the Secretary of State, have primary responsibility within the Government for arms control and disarmament matters, as defined in this Act. He shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive compensation at the rate of \$22,500 per annum.

"Deputy Director

"SEC. 23. A Deputy Director of the Agency shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive compensation at the rate of \$21,500 per annum. The Deputy Director shall perform such duties and exercise such powers as the Director may prescribe. He shall act for, and exercise the powers of, the Director during his absence or disability or during a vacancy in said office.

"Assistant Directors

"SEC. 24. Not to exceed four Assistant Directors may be appointed by the President, by and with the advice and consent of the Senate. They shall receive compensation at the rate of \$20,000 per annum. They shall perform such duties and exercise such powers as the Director may prescribe.

"Bureaus, offices, and divisions

"SEC. 25. The Director, under the direction of the Secretary of State, may establish within the Agency such bureaus, offices, and divisions as he may determine to be necessary to discharge his responsibilities under this Act, including, but not limited to, an Office of the General Counsel.

"General Advisory Committee

"SEC. 26. The President, by and with the advice and consent of the Senate, may appoint a General Advisory Committee of not to exceed fifteen members to advise the Director on arms control and disarmament policy and activities. The President shall designate one of the members as Chairman. The members of the Committee may receive the compensation and reimbursement for expenses specified for consultants by section 41(d) of this Act. The Committee shall meet at least twice each year. It shall from time to time advise the President, the Secretary of State, and the Disarmament Director respecting matters affecting arms control, disarmament, and world peace.

"TITLE III—FUNCTIONS

"Research

"SEC. 31. The Director is authorized and directed to exercise his powers in such man-

ner as to insure the acquisition of a fund of theoretical and practical knowledge concerning disarmament. To this end, the Director is authorized and directed, under the direction of the President, (1) to insure the conduct of research, development, and other studies in the field of arms control and disarmament; (2) to make arrangements (including contracts, agreements, and grants) for the conduct of research, development, and other studies in the field of arms control and disarmament by private or public institutions or persons; and (3) to coordinate the research, development, and other studies conducted in the field of arms control and disarmament by or for other Government agencies in accordance with procedures established under section 35 of this Act. In carrying out his responsibilities under this Act, the Director shall, to the maximum extent feasible, make full use of available facilities, Government and private. The authority of the Director with respect to research, development, and other studies shall be limited to participation in the following insofar as they relate to arms control and disarmament:

"(a) the detection, identification, inspection, monitoring, limitation, reduction, control, and elimination of armed forces and armaments, including thermonuclear, nuclear, missile, conventional, bacteriological, chemical, and radiological weapons;

"(b) the techniques and systems of detecting, identifying, inspecting, and monitoring of tests of nuclear, thermonuclear, and other weapons;

"(c) the analysis of national budgets, levels of industrial production, and economic indicators to determine the amounts spent by various countries for armaments;

"(d) the control, reduction, and elimination of armed forces and armaments in space, in areas on and beneath the earth's surface, and in the underwater regions;

"(e) the structure and operation of international control and other organizations useful for arms control and disarmament;

"(f) the training of scientists, technicians, and other personnel for manning the control systems which may be created by international arms control and disarmament agreements;

"(g) the reduction and elimination of the danger of war resulting from accident, miscalculation, or possible surprise attack, including (but not limited to) improvements in the methods of communications between nations;

"(h) the economic and political consequences of arms control and disarmament, including the problems of readjustment arising in industry and the reallocation of national resources;

"(i) the arms control and disarmament implications of foreign and national security policies of the United States with a view to a better understanding of the significance of such policies for the achievement of arms control and disarmament;

"(j) the national security and foreign policy implications of arms control and disarmament proposals with a view to a better understanding of the effect of such proposals upon national security and foreign policy;

"(k) methods for the maintenance of peace and security during different stages of arms control and disarmament;

"(l) the scientific, economic, political, legal, social, psychological, military, and technological factors related to the prevention of war with a view to a better understanding of how the basic structure of a lasting peace may be established;

"(m) such related problems as the Director may determine to be in need of research, development, or study in order to carry out the provisions of this Act.

"Patents

"SEC. 32. All research within the United States contracted for, sponsored, cosponsored, or authorized under authority of this Act, shall be provided for in such manner that all information as to uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any, as the Director may find to be necessary in the public interest) be available to the general public. This subsection shall not be so construed as to deprive the owner of any background patent relating thereto of such rights as he may have thereunder.

"Policy formulation

"SEC. 33. The Director is authorized and directed to prepare for the President, the Secretary of State, and the heads of such other Government agencies, as the President may determine, recommendations concerning United States arms control and disarmament policy: *Provided, however,* That no action shall be taken under this or any other law that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States, except pursuant to the treaty making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States.

"Negotiations and related functions

"SEC. 34. Under the direction of the Secretary of State—

"(a) the Director, for the purpose of conducting negotiations concerning arms control and disarmament or for the purpose of exercising any other authority given him by this Act, may (1) consult and communicate with or direct the consultation and communication with representatives of other nations or of international organizations and (2) communicate in the name of the Secretary with diplomatic representatives of the United States in this country and abroad.

"(b) the Director shall perform functions pursuant to section 2(c) of Reorganization Plan 8 of 1953 with respect to providing to the United States Information Agency official United States positions and policy on arms control and disarmament matters for dissemination abroad.

"(c) the Director is authorized (1) to formulate plans and make preparations for the establishment, operation, and funding of inspection and control systems which may become part of the United States arms control and disarmament activities, and (2) as authorized by law, to put into effect, direct, or otherwise assume United States responsibility for such systems.

"Coordination

"SEC. 35. The President is authorized to establish procedures to (1) assure cooperation, consultation, and a continuing exchange of information between the Agency and the Department of Defense, the Atomic Energy Commission, the National Aeronautics and Space Administration and other affected Government agencies, in all significant aspects of United States arms control and disarmament policy and related matters, including current and prospective policies, plans, and programs, (2) resolve differences of opinion between the Director and such other agencies which cannot be resolved through consultation, and (3) provide for presentation to the President of recommendations of the Director with respect to such differences, when such differences involve major matters of policy and cannot be resolved through consultation.

"TITLE IV—GENERAL PROVISIONS

"General authority

"SEC. 41. In the performance of his functions, the Director is authorized to—

"(a) utilize or employ the services, personnel, equipment, or facilities of any other

Government agency, with the consent of the agency concerned, to perform such functions on behalf of the Agency as may appear desirable. It is the intent of this section that the Director rely upon the Department of State for general administrative services in the United States and abroad to the extent agreed upon between the Secretary of State and the Director. Any Government agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Director, without reimbursement, supplies and equipment other than administrative supplies or equipment. Transfer or receipt of excess property shall be in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended;

"(b) appoint officers and employees, including attorneys, for the Agency in accordance with the civil service laws and fix their compensation in accordance with the Classification Act of 1949, as amended;

"(c) enter into agreements with other Government agencies, including the military departments through the Secretary of Defense, under which officers or employees of such agencies may be detailed to the Agency for the performance of service pursuant to this Act without prejudice to the status or advancement of such officers or employees within their own agencies;

"(d) procure services of experts and consultants or organizations thereof, including stenographic reporting services, as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$100 per diem for individuals, and to pay in connection therewith travel expenses of individuals, including transportation and per diem in lieu of subsistence while away from their homes or regular places of business, as authorized by section 5 of said Act, as amended (5 U.S.C. 73b-2): *Provided*, That no such individual shall be employed for more than one hundred days in any fiscal year unless the President certifies that employment of such individual in excess of such number of days is necessary in the national interest: *And provided further*, That such contracts may be renewed annually;

"(e) employ individuals of outstanding ability without compensation in accordance with the provisions of section 710(b) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2160), and regulations issued thereunder;

"(f) establish advisory boards to advise with and make recommendations to the Director on United States arms control and disarmament policy and activities. The members of such boards may receive the compensation and reimbursement for expenses specified for consultants by section 41(d) of this Act;

"(g) delegate, as appropriate, to the Deputy Director or other officers of the Agency, any authority conferred upon the Director by the provisions of this Act; and

"(h) make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary or desirable to the exercise of any authority conferred upon the Director by the provisions of this Act.

"Foreign Service Reserve and Staff officers

"Sec. 42. The Secretary of State may authorize the Director to exercise, with respect to Foreign Service Reserve officers and Foreign Service Staff officers and employees appointed or employed for the Agency, the following authority: (1) The authority available to the Secretary of State under the Foreign Service Act of 1946, as amended, (2) the authority available to the Secretary under any other provision of law pertaining specifically, or generally applicable, to such officers or employees, and (3) the authority of the Board of Foreign Service pursuant to the Foreign Service Act of 1946, as amended.

"Contracts or expenditures

"Sec. 43. The President may, in advance, exempt actions of the Director from the provisions of law relating to contracts or expenditures of Government funds whenever he determines that such action is essential in the interest of United States arms control and disarmament and security policy.

"Conflict of interest and dual compensation laws

"Sec. 44. The members of the General Advisory Committee created by section 26 of this Act, and the members of the advisory boards, the consultants, and the individuals of outstanding ability employed without compensation, all of which are provided in section 41 of this Act, may serve as such without regard to the provisions of section 281, 283, 284, or 1914 of title 18 of the United States Code, or of section 190 of the Revised Statutes (5 U.S.C. 99), or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of individuals, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States Government, except insofar as such provisions of law may prohibit any such individual from receiving compensation from a source other than a nonprofit educational institution in respect of any particular matter in which the Agency is directly interested. Nor shall such service be considered as employment or holding of office or position bringing such individual within the provisions of section 13 of the Civil Service Retirement Act (5 U.S.C. 2263), section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a), or any other Federal law limiting the reemployment of retired officers or employees or governing the simultaneous receipt of compensation and retired pay or annuities.

"Security requirements

"Sec. 45. (a) The Director shall establish such security and loyalty requirements, restrictions, and safeguards as he deems necessary in the interest of the national security and to carry out the provisions of this Act. The Director shall arrange with the Civil Service Commission for the conduct of full-field background security and loyalty investigations of all the Agency's officers, employees, consultants, persons detailed from other Government agencies, members of its General Advisory Committee, advisory boards, contractors and subcontractors, and their officers and employees, actual or prospective. In the event the investigation discloses information indicating that the person investigated may be or may become a security risk, or may be of doubtful loyalty, the report of the investigation shall be turned over to the Federal Bureau of Investigation for a full-field investigation. The final results of all such investigations shall be turned over to the Director for final determination. No person shall be permitted to enter on duty as such an officer, employee, consultant, or member of advisory committee or board, or pursuant to any such detail, and no contractor or subcontractor, or officer or employee thereof shall be permitted to have access to any classified information, until he shall have been investigated in accordance with this subsection and the report of such investigations made to the Director, and the Director shall have determined that such person is not a security risk or of doubtful loyalty. Standards applicable with respect to the security clearance of persons within any category referred to in this subsection shall not be less stringent, and the investigation of such persons for such purposes shall not be less intensive or complete, than in the case of such clearance of persons in a corresponding category under the security procedures of the Government agency or agen-

cies having the highest security restrictions with respect to persons in such category.

"(b) The Atomic Energy Commission may authorize any of its employees, or employees of any contractor, prospective contractor, licensee, or prospective licensee of the Atomic Energy Commission or any other person authorized to have access to Restricted Data by the Atomic Energy Commission under section 2165 of title 42, to permit the Director or any officer, employee, consultant, person detailed from other Government agencies, member of the General Advisory Committee or of an advisory board established pursuant to section 41(f), contractor, subcontractor, prospective contractor, or prospective subcontractor, or officer or employee of such contractor, subcontractor, prospective contractor, or prospective subcontractor, to have access to Restricted Data which is required in the performance of his duties and so certified by the Director, but only if (1) the Atomic Energy Commission has determined, in accordance with the established personnel security procedures and standards of the Commission, that permitting such individual to have access to such Restricted Data will not endanger the common defense and security, and (2) the Atomic Energy Commission finds that the established personnel and other security procedures and standards of the Agency are adequate and in reasonable conformity to the standards established by the Atomic Energy Commission under section 2165 of title 42, including those for interim clearance in subsection (b) thereof. Any individual granted access to such Restricted Data pursuant to this subsection may exchange such data with any individual who (A) is an officer or employee of the Department of Defense, or any department or agency thereof, or a member of the Armed Forces, or an officer or employee of the National Aeronautics and Space Administration, or a contractor or subcontractor of any such department, agency, or armed force, or an officer or employee of any such contractor or subcontractor, and (B) has been authorized to have access to Restricted Data under the provisions of sections 2163 or 2455 of title 42.

"Comptroller General audit

"Sec. 46. No moneys appropriated for the purposes of this Act shall be available for payment under any contract with the Director, negotiated without advertising, except contracts with any foreign government, international organization or any agency thereof, unless such contract includes a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment, have access to and the right to examine any directly pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of, and involving transactions related to such contracts or subcontracts: *Provided, however*, That no moneys so appropriated shall be available for payment under such contract which includes any provisions precluding an audit by the General Accounting Office of any transaction under such contract: *And provided further*, That nothing in this section shall preclude the earlier disposal of contractor and subcontractor records in accordance with records disposal schedules agreed upon between the Director and the General Accounting Office.

"Transfer of activities and facilities to Agency

"Sec. 47. (a) The United States Disarmament Administration, together with its records, property, personnel, and funds, is hereby transferred to the Agency. The appropriations and unexpended balances of appropriations transferred pursuant to this subsection shall be available for expendi-

ture for any and all objects of expenditure authorized by this Act, without regard to the requirements of apportionment under section 665 of title 31.

"(b) The President, by Executive order, may transfer to the Director any activities or facilities of any Government agency which relate primarily to arms control and disarmament. In connection with any such transfer, the President may under this section or other applicable authority, provide for appropriate transfers of records, property, civilian personnel, and funds. No transfer shall be made under this subsection until (1) a full and complete report concerning the nature and effect of such proposed transfer has been transmitted by the President to the Congress, and (2) the first period of sixty calendar days of regular session of the Congress following the date of receipt of such report by the Congress has expired without adoption by either House of the Congress of a resolution stating that such House does not favor such transfer. The procedures prescribed in title II of the Reorganization Act of 1949 shall apply to any such resolution.

"Use of funds

"Sec. 48. Appropriations made to the Director for the purposes of this Act, and transfers of funds to him by other Government agencies for such purposes, shall be available to him to exercise any authority granted him by this Act, including, without limitation, expenses of printing and binding without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U.S.C. 111); purchase or hire of one passenger motor vehicle for the official use of the Director without regard to the limitations contained in section 78(c) of title 5 of the United States Code; entertainment and official courtesies to the extent authorized by appropriation; expenditures for training and study, expenditures in connection with participation in international conferences for the purposes of this Act; and expenses in connection with travel of personnel outside the United States, including transportation expenses of dependents, household goods, and personal effects, and expenses authorized by the Foreign Service Act of 1946, as amended, not otherwise provided for.

"Appropriation

"Sec. 49. (a) There are hereby authorized to be appropriated not to exceed \$10,000,000 to remain available until expended, to carry out the purposes of this Act.

"(b) Funds appropriated pursuant to this section may be allocated or transferred to any agency for carrying out the purposes of this Act. Such funds shall be available for obligation and expenditure in accordance with authority granted in this Act, or under authority governing the activities of the agencies to which such funds are allocated or transferred.

"Report to Congress

"Sec. 50. The Director shall submit to the President, for transmittal to the Congress, not later than January 31 of each year, a report concerning activities of the Agency."

And the Senate agree to the same.

Amend the title to read as follows: "An Act to establish a United States Arms Control and Disarmament Agency".

THOMAS E. MORGAN,

CLEMENT J. ZABLOCKI,

WAYNE L. HAYS,

FRANCES P. BOLTON,

WALTER H. JUDD,

Managers on the Part of the House.

J. W. FULBRIGHT,

JOHN SPARKMAN,

HUBERT H. HUMPHREY,

STUART SYMINGTON,

ALEXANDER WILEY,

BOURKE B. HICKENLOOPER,

Managers on the Part of the Senate.

CVII—1323

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9118) to establish a United States Arms Control Agency submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The Senate also amended the title of the bill. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for clarifying, clerical, and necessary conforming changes, the differences are noted below:

SHORT TITLE (SEC. 1)

The House bill carried the short title "Arms Control Act." The Senate amendment contained the short title "Arms Control and Disarmament Act for World Peace and Security."

The committee of conference accepted the House language with an amendment so that the short title reads "Arms Control and Disarmament Act", and made a conforming change in the long title of the bill. The sequence of the words in the title indicates that arms control is the first step toward the ultimate objective of disarmament.

PURPOSE (SEC. 2)

The statements of purpose contained in the House bill and Senate amendment were similar in most respects.

The Senate amendment, however, contained the sentence "Arms control and disarmament policy, being an important aspect of foreign policy, must be consistent with national security policy as a whole."

The House did not contain such a statement.

The managers on the part of the House accepted the inclusion of this sentence in the statement of purpose as amplifying and clarifying the purpose of the House bill.

DEFINITIONS (SEC. 3)

Subsection 3(a) of the House bill defined the term "disarmament."

Subsection 3(a) of the Senate amendment provided a definition of the phrase "arms control and disarmament."

The managers on the part of the House broadened the definition contained in the House bill to include the term "arms control" as well as "disarmament." In all other respects the definition contained in the House bill was retained.

UNITED STATES ARMS CONTROL AGENCY (SEC. 21)

The House bill (sec. 21) provided for the establishment of the "United States Arms Control Agency."

The Senate amendment provided for the establishment within the Department of State of an agency to be known as the "United States Arms Control and Disarmament Agency for World Peace and Security."

The committee of conference accepted the House language with an amendment designating the Agency as the "United States Arms Control and Disarmament Agency" to conform to the title of the act as agreed to by the committee of conference.

DIRECTOR (SEC. 22)

The House bill provided for the establishment of a United States Arms Control Agency under a Director with independent status in important respects but having a special and close relationship to the Secretary of State.

The Senate amendment authorized the establishment of a United States Arms Control and Disarmament Agency for World Peace and Security to be under the direction of an Under Secretary of State under the

supervision and direction of the Secretary of State.

The committee of conference agreed to a compromise, revising the first two sentences of section 22 defining the status of the Director as follows:

"The Agency shall be headed by a Director, who shall serve as the principal adviser to the Secretary of State and the President on arms control and disarmament matters. In carrying out his duties under this Act the Director shall, under the direction of the Secretary of State, have primary responsibility within the Government for arms control and disarmament matters as defined in this Act."

In accepting this language, the managers on the part of the House believe that they have retained the essential aspects of the House bill that the Director of the Agency be assured of direct access to the President when necessary and that he have sufficient authority and independence to deal directly with other agencies, such as the Department of Defense and the Atomic Energy Commission, on matters not falling within the competence of the Department of State.

BUREAUS, OFFICES, AND DIVISIONS (SEC. 25)

The House bill authorized the Director to establish within the Agency such bureaus, offices, and divisions as he determined to be necessary, including, but not limited to, an Office of the General Counsel.

The Senate amendment (sec. 25) gave comparable authority to the Director with the requirement that it be exercised under the supervision and direction of the Secretary of State and that only "program and staff" bureaus, offices, and divisions could be established. The Senate provision also made reference to an Office of Public Affairs in addition to the Office of the General Counsel.

The committee of conference agreed to require the House language with an amendment requiring that the authority of the Director under this section be exercised "under the direction of the Secretary of State."

PATENTS (SEC. 32)

Both the House bill and the Senate amendment included provisions (sec. 32) intended to prevent the commercial exploitation of inventions resulting from research financed by the American taxpayer. The provision in the House bill was based on the patent provision in the National Science Foundation Act and the provision in the Senate amendment was similar to the patent provision of the Saline Water Conversion Program Act.

The managers on the part of the House accepted a compromise following more precisely the language of the Saline Water Conversion Program Act, except that the words "as to" were inserted to make clear that information as to uses, products, processes, patents, and other developments was required to be made available to the general public rather than that the uses, products, processes, patents, and other developments would themselves be made available to the general public.

The language agreed to by the committee of conference should protect the public interest in patents resulting from research financed under this program while protecting a contractor's rights to background information, processes, and similar data obtained by the expenditure of the contractor's own funds.

POLICY FORMULATION (SEC. 33)

The House bill (sec. 33) authorized and directed the Director of the Agency to prepare for the President, the Secretary of State, and the heads of other Government agencies recommendations concerning U.S. disarmament policy. It also contained a proviso stating:

"Provided, however, That no action shall be taken under this or any other law that will obligate the United States to disarm

or to reduce or to limit the armed forces or armaments of the United States except pursuant to the treaty making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States."

The Senate amendment assigned to the Director similar responsibility with the requirement that the Director exercise such responsibility under the supervision and direction of the Secretary of State. It did not include language similar to the proviso contained in the House bill.

The committee of conference accepted the provisions of the House bill. The managers on the part of the Senate accepted the proviso with the understanding that its language does not interfere in any way with the President's authority to control the size of U.S. Armed Forces under existing law.

The managers on the part of the House concurred in this interpretation of the proviso.

NEGOTIATIONS AND RELATED FUNCTIONS (SEC. 34)

Section 34 of the House bill provided that negotiations and related functions would be under the direction of the President and the Secretary of State. The Senate amendment referred only to the Secretary of State. The first two functions listed in section 34 of the House bill are traditionally under the Secretary of State who acts under the direction of the President. The managers on the part of the House therefore accepted the language of the Senate amendment.

COORDINATION (SEC. 35)

The House bill and the Senate amendment contained provisions relating to procedures for coordinating the Agency with other governmental departments and agencies which were identical, except that the House bill made reference to "differences of opinion between the Director" and other agencies while the Senate amendment referred to "differences of opinion between the Department of State" and other agencies.

In view of the compromise agreed to with respect to the relationship of the Director of the Agency to the Secretary of State and to the President (sec. 22) the committee of conference accepted the reference to the Director contained in the House bill and added a third clause to section 35, authorized the President to establish procedures by which the Director of the Agency may go direct to the President when differences on important policy matters arise among agencies.

It was the understanding of the committee of conference that these procedures would provide that whenever the Director of the Agency might have occasion to go direct to the President, the heads of other departments and agencies concerned would have knowledge of the occasion and an opportunity to present their views on the issue involved.

SECURITY REQUIREMENTS (SEC. 45)

Section 45 of the House bill and section 44 of the Senate amendment provided for security procedures applicable to all employees of the Agency. In the House bill the Director was given responsibility to establish the necessary security and loyalty requirements. The Federal Bureau of Investigation was made responsible for the conduct of full field background security and loyalty investigations of all the Agency's officers, employees, consultants, persons detailed from other Government agencies, members of its General Advisory Committee, advisory boards, contractors and subcontractors and their officers and employees, actual or prospective. It further provided that the FBI report would indicate if any investigation disclosed "that the person investigated may be or may become a security risk, or may be of doubtful loyalty."

The Senate amendment conferred responsibility upon the Agency for security requirements. Any derogatory information developed would be turned over to the Office of Security of the Department of State for final determination.

The managers on the part of the House accepted the Senate amendment with amendments which substituted "Director" for "Agency" and made the initial conduct of the full field investigation the responsibility of the Civil Service Commission. Should this investigation disclose information which indicates that the person may be or may become a security risk or may be of doubtful loyalty, the report of the Civil Service Commission will then be turned over to the Federal Bureau of Investigation for a final full field investigation.

The committee of conference agreed that the initial investigation should be performed by the Civil Service Commission and that the facilities of the Federal Bureau of Investigation would be used only when information was disclosed indicating that the person investigated may be or may become a security risk, or may be of doubtful loyalty. Further, the committee of conference recognized that the Federal Bureau of Investigation should not be required to evaluate the facts disclosed by its investigation. This determination is the responsibility of the Director. The amended language establishes procedures similar to those provided in the Atomic Energy Act for the investigation of employees and other persons connected with the Agency.

The requirement in the House that all reports shall be turned over to the Director for final determination was deleted since the same section already required that no person shall be permitted to perform services or have access to classified information until he shall have been investigated, the report turned over to the Director, and the Director "shall have determined that such person is not a security risk or of doubtful loyalty."

The committee of conference also agreed to delete the phrase "to perform any services under the contract or" which appeared in the sentence beginning "No person * * *". The committee of conference recognized the rigidity of the requirement and agreed to its deletion. This phrase would have required a full field investigation of contractor officers or employees even on a contract which involved no classified information whatever. These investigations frequently cost as much as \$800 per individual and take from 2 to 9 months to complete. Thus, an unclassified \$5,000 contract involving the incidental services of perhaps a dozen people over a 2-month period might cost an additional \$2,400 and be delayed for perhaps 9 months.

TRANSFER OF ACTIVITIES AND FACILITIES TO AGENCY (SEC. 47(b))

The Senate amendment contained authorization for the President by Executive order to transfer any "activities" or "facilities" of any Government agency which relates primarily to disarmament.

The House bill contained similar authority respecting the transfer of "activities" but did not specify "facilities."

The managers on the part of the House accepted the Senate language in recognition that the President may wish to transfer "facilities" to the new Agency at some future date.

The committee of conference believes that adequate protection against abuse is contained elsewhere in the section since the facility would have to relate primarily "to arms control or disarmament" and also either House of Congress could prevent the transfer by resolution.

The title was amended to include the word "facility" in order to conform to provisions of the section.

THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
WAYNE L. HAYS,
FRANCES P. BOLTON,
WALTER H. JUDD,

Managers on the Part of the House.

Mr. MORGAN. Mr. Speaker, I call up the conference report on the bill (H.R. 9118) to establish a U.S. Arms Control Agency, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

Mr. MORGAN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the Arms Control Agency bill passed by the House differed from the bill approved by the Senate in two major respects. The first and most important was that the House bill provided for the establishment of what should be most accurately described as an independent agency with a special relationship to the Department of State, while the Senate bill placed the new Agency within the Department of State and made its Director an Under Secretary of State. The other major difference was that the name given the new Agency in the House bill was the "U.S. Arms Control Agency" and the name given to the new Agency in the Senate bill was the "U.S. Arms Control and Disarmament Agency for World Peace and Security."

The managers on the part of the House were able to retain the basic concepts contained in the House bill with respect to keeping the new Agency outside the Department of State and giving its Director direct access to the President when necessary. Certain revisions of language were agreed to to clarify the relationship of the Director of the Agency to the Secretary of State and to the President, but the bill which we bring back from conference does not make the Agency a part of the State Department nor does it provide for a Director who is an Under Secretary of State.

With respect to the name of the new Agency and the title of the bill, we had to agree to a compromise and accepted the name "U.S. Arms Control and Disarmament Agency." The words "for World Peace and Security" contained in the Senate title were eliminated. In my judgment this is a reasonable compromise, and in view of the legislative history, there can be no doubt that it is the understanding of the Congress that the inclusion of the term "Disarmament" in the title does not indicate that the United States contemplates unilateral disarmament or that we have any intention of throwing away our arms in the face of the current threat to our security.

The agreement of the committee of conference to the establishment of the

new Agency outside the Department of State resulted in the acceptance by the committee of conference of most of the provisions of the House bill since these provisions had been written to apply to an agency with a separate existence, not part of a larger department or agency.

The managers on the part of the House agreed to compromise language relating to patents. The patent provision contained in the House bill followed closely the language of the National Science Foundation Act relating to patents. The patent language in the Senate bill was based on the patent provision contained in the Saline Water Conversion Act. After long discussion, the committee of conference accepted a compromise following more precisely the language of the Saline Water Conversion Act, except that the words "as to" were inserted to make clear that information as to uses, products, processes, patents, and other developments was required to be made available to the general public rather than that the uses, products, processes, patents, and other developments would themselves be made available to the general public.

The managers on the part of the House believe that the language agreed to should protect the public interest in patents resulting from research financed under this program while protecting a contractor's rights to background information, processes, and similar data obtained by the expenditure of the contractor's own funds.

The provision of the House bill relating to security requirements placed a greater burden on the Federal Bureau of Investigation than the Bureau was willing to accept, and the managers on the part of the House were persuaded by the FBI to require FBI investigations only in the case of individuals concerning whom investigations conducted by the Civil Service Commission indicated may be or may become a security risk, or may be of doubtful loyalty.

The managers on the part of the House also agreed to the elimination of language requiring the FBI to perform the function of evaluation of the reports on its investigations.

A phrase requiring full investigations of persons performing services under contract even when such persons do not have access to any classified information was also deleted.

The other changes in the House bill which were agreed to were in the nature of clarifying and conforming changes and did not involve significant modification of the bill as it passed the House.

The managers on the part of the House vigorously defended the House position in conference and have brought back a bill which does not represent any major concession on the part of the House. I urge the approval of the conference report.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Is it my understanding that the so-called Fountain amendment which was adopted on

the floor of the House is retained in the bill?

Mr. MORGAN. The Fountain amendment to section 33, which I believe is what the gentleman is referring to, was retained in the conference. It is exactly the wording of the amendment offered by the gentleman from North Carolina.

Mr. SEELY-BROWN. I congratulate the conference committee.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. So now despite all the fine words we heard during general debate on the floor of the House with respect to this new Agency being known only as the Arms Control Agency, the word "Disarmament" is now in the title; is that correct?

Mr. MORGAN. The word "Disarmament" has been added to the title. The gentleman knows the word "Disarmament" was included in the House bill and was defined in the House bill.

Mr. GROSS. The gentleman from Iowa, of course, is aware that the word "Disarmament" was used very sparingly in the body of the House bill, but it was deliberately held out of the title in the House bill as the hearings indicated it would be. May I ask the gentleman how does it happen that this capitulation came about and the word "Disarmament" was slipped into the title after all the arguments we heard against the use of the word?

Mr. MORGAN. The House conferees had to compromise on some things. The words "for World Peace and Security" were eliminated from the Senate title. All of the House title is retained in the title of the bill while some of the Senate title was stricken out. I believe this is a fair compromise.

Mr. GROSS. There are now 30 super-grade and scientific and professional jobs allotted to the new Agency, as I understand, instead of the 45 contained in the bill originally?

Mr. MORGAN. There are 30 super-grade positions for the Agency provided in the supergrade bill which the House just approved. There are none in this bill.

Mr. GROSS. Is there any change in the provision for hiring an unlimited number of \$100-per-day consultants?

Mr. MORGAN. No.

Mr. GROSS. There is no change in that at all?

Mr. MORGAN. The gentleman is correct; there is no change. The provisions dealing with consultants were not in conference.

Mr. GROSS. That is unlimited in the bill?

Mr. MORGAN. That was not in conference. The same language was contained in both bills.

Mr. GROSS. And there is no change so far as the advisory committee is concerned or the advisory board; is that correct?

Mr. MORGAN. That was not in conference.

Mr. GROSS. I thank the gentleman and express my personal opinion that the bill is as unnecessary and as bad as ever.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to my colleague, the gentleman from Pennsylvania.

Mr. KUNKEL. I did not quite understand what the gentleman said about the saline water part of the bill. What does that refer to?

Mr. MORGAN. We accepted the saline water patent provisions with certain modifications.

Mr. KUNKEL. I thank the gentleman.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Speaker, I want to congratulate the chairman of the committee and the members of the conference committee on the part of the House for having retained in the bill the amendment which I offered to section 33. Since this bill was passed, apparently, there is still some misunderstanding throughout the country as to just what this bill does. So those who have not had an opportunity to read the report of the conference and the amendment, which was offered, I would like to take this time to read again the amendment which the conferees were able to sustain in the conference committee. The amendment is as follows:

Provided, however, That no action shall be taken under this or any other law that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States except pursuant to the treaty-making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States.

Mr. Speaker, again, I want to congratulate the conferees and state I think this was a necessary amendment and I believe when the people who are concerned about this legislation realize it is in the bill that they will be satisfied.

Mr. MORGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, this conference report retains the substance of the House arms control bill in every essential respect. The only major change is in the name. It proved necessary for the majority of the House conferees to yield in part on the title of the bill and the title of the Agency. The House conferees accepted one-half of the Senate language, to include the word "Disarmament" in the title—as of course the word appeared and was defined in both bills. I opposed that change in title because the most urgent thing about this action at this time is to make sure that it is not misunderstood by anyone as meaning the United States is adopting a weaker position in its defenses. We must not permit this to be misunderstood. First, by our own people, and many of them are confused and disturbed, as their letters show. Second, by our friends, perhaps causing some to doubt our steadfastness, as evil rumors are suggesting today in Berlin. Third, by our enemy. If Mr. Khrushchev were

to distort this bill and the name "Disarmament" into meaning the United States is in any sense weakening its military strength under his terroristic pressures, it would encourage him to be more aggressive and perhaps overreach himself. It would be tragic beyond words should our desire, our zeal for peace and reduction of arms lead us to invite the very war we are trying so earnestly to prevent.

This is the one danger in the bill and we ought to make every effort to try to get the Agency called by some other name than just the "Disarmament Agency."

It is now entitled the "Arms Control and Disarmament Agency." That sequence makes clear, we understand, that only after effective agreements on arms control can there be disarmament. But the name is too long for common usage. Perhaps we should name it right now, in the regular alphabetical way, ACADA. ACADA is short for Arms Control and Disarmament Agency. Someone said to me that the letters contain ADA, Americans for Democratic Action. I replied that the name also includes ACA, Americans for Constitutional Action. The conservatives and liberals are both in one title, all Americans united in the common search for world peace and security. I hope some such name or handle will be adopted for this Agency from the beginning so it does not become known worldwide as the U.S. Disarmament Agency and be susceptible to misinterpretation. Everybody here wants disarmament—under conditions that will give greater, not less security. As the bill plainly says, the purpose of ACADA is to formulate and implement arms control policy "in a manner which will promote the national security."

Mr. Speaker, on the whole this is a good conference report. I think it is a measure which can promote our national security by emphasizing our desire and our will to achieve world security looking toward ultimate world disarmament.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, I once again rise in opposition to this legislation as reported back from the conference committee not only for the six reasons that I outlined when it was before the House on September 19, but for other reasons which I think should now be abundantly clear.

During the time that the proposed Disarmament Agency was under discussion here in the House, we were told by Member after Member who was advocating passage of this legislation that the new agency would not indulge in the risk of disarming our Nation at this very critical time in our history and that its primary purpose would be to effect arms control, not immediate disarmament. Yet, we see as this legislation comes back to us from the conference committee that this purpose has in effect been abandoned because the new agency will

now be called the U.S. Arms Control and Disarmament Agency. Of course, I believe this is really a form of dreamy thinking because the subject of disarmament is intricately woven into the legislation.

I say the Communist conspiracy will now indulge in a propaganda effort to show that the United States is planning to weaken its position militarily because we have enlarged and created this kind of an agency. The psychological effect of this legislation, I believe, will gradually have a devastating effect on our allies who expect us to maintain a military posture of rigorous strength. Of course, we intend to maintain a rigorous military posture, but this will not be the item that will be played up by the Russians.

I sincerely believe we have made a grave error in judgment by giving such a grand play to this kind of research and negotiation within our Federal Government at this particular time. For the following reasons I now find myself in even greater opposition to this legislation than I was when it came before the House, September 19:

First. On further study of this legislation, I have come to the conclusion that it merely establishes another heavy layer of bureaucracy in a very critical area of policymaking. Knowing the competition for power that exists within the bureaucracy, I have no doubt that this Agency will be subject to political maneuvers to gain policy decision advantage over and above the military branch of our Government.

Second. We cannot fail to overlook the negotiation section of the legislation which gives too much authority under the definition of disarmament to the Director to negotiate away piecemeal our military sovereignty to international agencies and then come to the U.S. Congress for concurrence after the loss of a given amount of sovereignty is well established.

Third. The psychological advantage mentioned above will accrue to the Communist orbit. I do not intend to infer that our Government is incapable of taking the psychological offensive by the distribution of information about this Agency. However, it is well to remember that we have failed in the past to cut through the mesmeric propaganda on the subject of peace and disarmament which the Russians have utilized while bolstering their military might. This so-called great psychological strike for "peace and disarmament" will, I believe, be twisted to our disadvantage by the diabolical techniques the Russians use to show that we are growing weak and in effect capitulating to their desire that we—not they—disarm. Our true allies who need our military protection will consider disarmament a grave mistake.

Fourth. I believe that when most of the Members of this House return to their districts to talk with their constituents, they will find a sense of disappointment that we have yielded to the pressures of what seemed to be a humane and just cause, but what truly will be interpreted throughout the world by

our genuine friends as a sign of letting our guard down.

Fifth. The creation of this new Agency was totally unnecessary in view of the fact that we have already had a section of the State Department doing a vast amount of research in this field for several years at a cost of about a million dollars per year. The question that is asked by many American people is: Just how much research can you do on disarmament? It really is not as technical or scientific as we are told. To disarm means to cut down on armaments and armed forces held in reserve or ready to go into action. This kind of preparation for disarming does not really require that much research and development. We unfortunately were able to disarm extremely rapidly after World War II without any scientific research. When the time comes for our country to disarm because the world has been made a safe place in which all freedom-loving people can live, it will not be necessary to do a vast amount of scientific research to reduce our Military Establishment to a mere police force. With international Communist gangsterism on the rise this is an improper time to hand the Soviets such a propaganda victory as I sincerely believe we are doing with the passage of this legislation.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, when we had this legislation before us a few days ago I voted for it reluctantly. Of course we should always work toward the noble goal of arms control but I did question the need for the legislation because the executive branch already has such an activity going on through the State Department. It seemed to me this bill was just a duplication of what is now being done and would add another huge bureaucracy. In other words we do not and should not close our eyes to the importance of always working for the control of arms in the hope that some day we can live in peace and without fear of destruction. Furthermore, I voted for the bill originally because I suspected the Communist world would be given some kind of a propaganda victory to use against us if it did not pass. Frankly, I felt it would have been better if the legislation had never been presented in the first place.

Mr. Speaker, after careful study and thought I am now of the opinion that I must vote against the conference report. I plan to do so because a major change has been made in the bill by the conference committee. The conference changed the title of the House bill from the "Arms Control Act" to the title "Arms Control and Disarmament Act." This seemed to me to be a very serious mistake. Regardless of the language contained in the bill itself this legislation will now be commonly called a "disarmament act." I recall that a great deal of debate took place on the floor of the

House when the original bill was before us relative to the importance of the title of the bill. It was determined that the title "Arms Control Act" was the proper one. Now it contains the word "Disarmament." We all favor the control of arms and for worldwide disarmament sometime in the future but certainly now is not the time, the world situation being what it is, to give the impression to the American people and the free world that we want to disarm right now. This will certainly be the impression they will receive. This will, without a question, cause the free world to feel that we have lost our will to stand up to the Russians and that we are ready to "throw in the sponge." That is what concerns me. We cannot afford to give any such impression to the rest of the world. We cannot afford to give such an impression to the Communists. Then there is the problem of the so-called neutrals. They seem to be wishy-washy now and regardless of all the money we have given them still will not commit themselves to our side. I do not have any doubts that they, or some of them, will move more and more into the Soviet camp if they get the impression that we are now going to disarm instead of fighting, if need be, for the principles in which we believe. So, Mr. Speaker, I have reluctantly concluded that the bad features of this conference report outweigh any possible good and am deeply disappointed that the House conferees agreed to insert the word "Disarmament" in the title. I think this will do great damage to the cause of the free world who look to us for bold leadership in this time of international crisis. I thank the distinguished chairman of the Foreign Affairs Committee for yielding to me.

Mr. LAIRD. Mr. Speaker, for many years I have felt that emphasis should have been given by our Government and all the governments of the world to adequate arms control. Nevertheless, proper timing is of prime importance. This is particularly true when one realizes that the legislation which we are acting upon today establishes a new agency under the control and direction of the Secretary of State when the State Department already has a division operating in the identical area of arms control.

This month is not the time to place special emphasis on a new Disarmament Agency. At the present time we are engaged in an international crisis which has caused the President on Tuesday of this week to call into active service Wisconsin's 32d Division of the National Guard. One of the reasons given for this call to active duty has been the psychological impact it will have on world opinion. The President in his statements has told the world our country means business in the defense of Berlin.

On Tuesday of this week, I was in my congressional district and it was most difficult to explain to the people I represent why on the very day the 32d Division of the National Guard of Wisconsin was being called into active service, the U.S. Congress was concerning itself with the creation of a new Disarmament Agency. People at home were confused

as to why the right hand of this administration did not know what the left hand was doing. I do believe in view of the present international situation it would be advisable for us to postpone final consideration of this bill until the 2d session of the 87th Congress.

Mr. BRADEMAS. Mr. Speaker, the creation of a U.S. Disarmament Agency, approved finally by Congress today, should enable the United States to do a more effective job of considering proposals for arms control than has heretofore been the case.

It is particularly encouraging that the bill received such strong bipartisan support.

At this point in the RECORD, I should like to include an excellent editorial concerning the new Agency published in the September 22, 1961, issue of the La Porte Herald-Argus which is published in La Porte, Ind.:

DISARMAMENT AGENCY

Washington will house before long a new U.S. Disarmament Agency, to be known as the U.S. Disarmament Agency for World Peace and Security with semi-independent status. It was a Kennedy administration proposal, but it had the endorsement of former President Eisenhower and of many Republican leaders.

There seems to be a considerable volume of misunderstanding as to what the Agency is to do. Why should the United States in a critical time with more armaments being made, with draft calls higher, and with the whole military effort moving at a stronger pace create a Disarmament Agency?

The answer is that the United States must assume, if the world is to be saved at all, that some form of nuclear control is inevitable and that disarmament before many years will be a serious consideration by all nations. And the American Government must be prepared to offer intelligent disarmament plans which would be enforceable and which would assure our security. To be able to offer these plans, there must be diligent and far-reaching scientific study and research.

The Agency is not for the purpose of disarming the United States, unilaterally or any other way, at this time or at any period in the foreseeable future, but it is to accumulate a broad store of scientific knowledge useful in the building of a safe nuclear control and disarmament program at some future time.

During the lengthy nuclear test ban talks at Geneva, which ended recently with no tangible results, the U.S. delegates found themselves lacking in adequate knowledge on nuclear testing. Some advice from consulting scientists was conflicting and uncertain. It will be the new Agency's task to put scientists to work to learn all they can about weapons and testing.

At present there is a section in the State Department with 55 persons employed dealing with disarmament problems. The new Agency will have a \$6 million budget the first year and will employ 240 persons to start. It will be free to work objectively and scientifically on the total problems of disarmament against the day when this Nation will confront other nations around the conference table, all with the common aim of making the world safe from devastation by nuclear fission or even mightier powers.

Creation of the Disarmament Agency, begotten as it was by bipartisan support and not as strictly a Democratic measure, should make it possible for the United States to assume before long an even stronger position in the power struggle which now re-

quires so much of our resources and attention.

Mr. MORGAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered. The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 253, nays 50, not voting 132, as follows:

[Roll No. 226]

YEAS—253

Addabbo	Elliott	Lennon
Addonizio	Everett	Lesinski
Albert	Fallon	McCormack
Alexander	Farbstein	McCulloch
Andersen,	Fenton	McDowell
Minn.	Finnegan	McFall
Andrews	Fisher	McMillan
Arends	Flood	Mack
Ashley	Flynt	Madden
Aspinall	Fogarty	Magnuson
Avery	Ford	Mahon
Ayres	Forrester	Mailliard
Bailey	Fountain	Marshall
Baker	Frelinghuysen	Mathias
Baldwin	Friedel	Matthews
Baring	Fulton	May
Barrett	Gallagher	Merrow
Barry	Garmatz	Miller, Clem.
Bates	Gary	Miller,
Beckworth	Glaimo	George P.
Belcher	Gilbert	Milliken
Bennett, Fla.	Granahan	Mills
Betts	Grant	Minshall
Blatnik	Gray	Moeller
Boland	Green, Oreg.	Monagan
Bolling	Green, Pa.	Montoya
Bolton	Gubser	Moore
Bonner	Hagan, Ga.	Moorehead,
Bow	Hagen, Calif.	Ohio
Boykin	Halleck	Moorhead, Pa.
Brademas	Harding	Morgan
Bray	Hardy	Morris
Breeding	Harris	Morse
Brewster	Harrison, Wyo.	Mosher
Bromwell	Harsha	Murphy
Brooks	Healey	Murray
Broomfield	Hechler	Natcher
Brown	Hemphill	Nix
Broyhill	Henderson	Nygaard
Burke, Mass.	Holland	O'Brien, Ill.
Byrne, Pa.	Hosmer	O'Brien, N.Y.
Cahill	Huddleston	O'Hara, Ill.
Cannon	Ichord, Mo.	O'Hara, Mich.
Chamberlain	Ikard, Tex.	Olsen
Chelf	Inouye	O'Neill
Chenoweth	Jarman	Ostertag
Church	Jennings	Passman
Clancy	Joelson	Patman
Clark	Johnson, Calif.	Perkins
Coad	Johnson, Md.	Peterson
Cohelan	Jonas	Pfost
Conte	Jones, Ala.	Philbin
Cook	Judd	Pike
Cramer	Karsten	Poff
Curtis	Kastenmeier	Price
Curtis, Mass.	Kearns	Pucinski
Daddario	Kee	Randall
Dague	Kilgore	Reece
Davis, John W.	King, Calif.	Rhodes, Pa.
Dawson	King, Utah	Rivers, Alaska
Delaney	Kirwan	Roberts
Denton	Kitchin	Robison
Derwinski	Kluczynski	Rogers, Colo.
Dingell	Knox	Rogers, Fla.
Donohue	Kornegay	Rogers, Tex.
Downing	Kowalski	Rooney
Doyle	Kunkel	Roush
Dulski	Lane	Ryan
Durno	Langen	St. Germain
Dwyer	Lankford	Schneebeli
Edmondson	Latta	Schweiker

Schwengel	Staggers	Vanik
Scott	Steed	Van Zandt
Scranton	Stephens	Walter
Seely-Brown	Stratton	Watts
Selden	Stubblefield	Wels
Shipley	Taylor	Whalley
Shriver	Thomas	Whitener
Sibal	Thompson, N.J.	Whitten
Sikes	Thompson, Tex.	Wickersham
Sisk	Thompson, Wis.	Widnall
Slack	Thornberry	Willis
Smith, Iowa	Toll	Yates
Smith, Miss.	Trimble	Zablocki
Spence	Udall, Morris K.	
Springer	Ullman	

NAYS—50

Abbitt	Dowdy	Ray
Anderson, Ill.	Gathings	Rhodes, Ariz.
Ashbrook	Gavin	Rivers, S.C.
Ashmore	Goodling	Roudebush
Auchincloss	Gross	Rousset
Battin	Haley	Rutherford
Beermann	Hoffman, Ill.	Saylor
Bruce	Jensen	Schadeberg
Burleson	Johansen	Scherer
Casey	King, N.Y.	Sheppard
Cunningham	Laird	Taber
Davis	Lipscomb	Teague, Tex.
James C.	McVey	Tuck
Derounian	Mason	Utt
Dole	Meador	Wilson, Calif.
Dominick	Norrell	Wilson, Ind.
Dorn	O'Konski	Winstead

NOT VOTING—132

Abernethy	Hall	Osmers
Adair	Halpern	Pelly
Alford	Hansen	Pilcher
Alger	Harrison, Va.	Pillion
Anfuso	Harvey, Ind.	Pirnie
Bass, N.H.	Harvey, Mich.	Poage
Bass, Tenn.	Hays	Powell
Becker	Hébert	Quile
Bell	Herlong	Rabaut
Bennett, Mich.	Hiestand	Rains
Berry	Hoeven	Reifel
Blitch	Hoffman, Mich.	Reuss
Boggs	Holifield	Riehlman
Buckley	Holtzman	Riley
Burke, Ky.	Horan	Rodino
Byrnes, Wis.	Hull	Roosevelt
Carey	Johnson, Wis.	Rostenkowski
Cederberg	Jones, Mo.	St. George
Celler	Karh	Santangelo
Chiperfield	Keith	Saund
Collier	Kelly	Schenck
Colmer	Keogh	Shelley
Cooley	Kilburn	Short
Corbett	Kilday	Siler
Corman	Kyl	Smith, Va.
Curtis, Mo.	Landrum	Smith, Calif.
Daniels	Libonati	Stafford
Davis, Tenn.	Lindsay	Sullivan
Dent	Loser	Teague, Calif.
Devine	McDonough	Thompson, La.
Diggs	McIntire	Tollefson
Dooley	McSweeney	Tupper
Ellsworth	Macdonald	Van Pelt
Evins	MacGregor	Vinson
Fascell	Martin, Mass.	Wallhauser
Feighan	Martin, Nebr.	Weaver
Findley	Michel	Westland
Fino	Miller, N.Y.	Wharton
Frazier	Morrison	Williams
Garland	Moss	Wright
Glenn	Moulder	Young
Goodell	Multer	Younger
Griffin	Nelsen	Zelenko
Griffiths	Norblad	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Roosevelt for, with Mr. Bell against.
 Mr. Byrnes for, with Mr. Hébert against.
 Mr. Celler for, with Mr. Hall against.
 Mr. Ellsworth for, with Mr. Alford against.
 Mr. Nelsen for, with Mr. Williams against.
 Mr. MacGregor for, with Mr. Riley against.
 Mr. Stafford for, with Mr. Hoffman of Michigan against.
 Mr. Keogh for, with Mr. Van Pelt against.
 Mr. Davis of Tennessee for, with Mr. Kilburn against.
 Mr. Buckley for, with Mrs. St. George against.
 Mr. Evins for, with Mr. Hoeven against.
 Mr. Miller of New York for, with Mr. Alger against.

Until further notice:

Mr. Anfuso with Mr. Berry.
 Mr. McSweeney with Mr. Bass of New Hampshire.
 Mr. Johnson of Wisconsin with Mr. Corbett.
 Mr. Fascell with Mr. Glenn.
 Mr. Multer of New York with Mr. Siler.
 Mr. Colmer with Mr. Younger.
 Mr. Landrum with Mr. Harvey of Indiana.
 Mr. Holtzman with Mr. Griffin.
 Mr. Morrison with Mr. Kyl.
 Mrs. Griffiths with Mr. Hiestand.
 Mr. Poage with Mr. Goodell.
 Mr. Frazier with Mr. Adair.
 Mr. Hull with Mr. Halpern.
 Mrs. Sullivan with Mr. Becker.
 Mr. Bass of Tennessee with Mr. Harvey of Michigan.
 Mr. Diggs with Mr. McDonough.
 Mrs. Hansen with Mr. Reifel.
 Mr. Rabaut with Mr. Pirnie.
 Mr. Jones of Missouri with Mr. Lindsay.
 Mr. Santangelo with Mr. Cederberg.
 Mrs. Blitch with Mr. Devine.
 Mr. Harrison of Virginia with Mr. Horan.
 Mr. Libonati with Mr. McIntire.
 Mr. Hollifield with Mr. Riehlman.
 Mr. Shelley with Mr. Martin of Massachusetts.

Mr. Moulder of Missouri with Mr. Weaver.
 Mr. Feighan with Mr. Tollefson.
 Mr. Rains with Mr. Norblad.
 Mr. Hays with Mr. Michel.
 Mr. Reuss with Mr. Schenck.
 Mr. Carey with Mr. Martin of Nebraska.
 Mr. Powell with Mr. Westland.
 Mr. Moss with Mr. Chiperfield.
 Mr. Kilday with Mr. Short.
 Mr. Herlong with Mr. Curtis of Missouri.
 Mr. Pilcher with Mr. Collier.
 Mr. Saund with Mr. Findley.
 Mr. Rostenkowski with Mr. Wharton.
 Mr. Macdonald with Mr. Osmers.
 Mr. Loser with Mr. Quile.
 Mrs. Kelly with Mr. Fino.
 Mr. Rodino with Mr. Wallhauser.
 Mr. Burke of Kentucky with Mr. Pillion.
 Mr. Boggs with Mr. Pelly.
 Mr. Abernethy with Mr. Tupper.
 Mr. Dent with Mr. Smith of California.
 Mr. Cooley with Mr. Garland.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

"MAN OF AMERICAN MINING IN 1960": TACONITE LEADER IN MINNESOTA

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

TACONITE: HARDER THAN GRANITE

Mr. BLATNIK. Mr. Speaker, magnetic taconite is a hard rock, harder than granite, throughout which lie scattered, and stubbornly embedded, small particles of black, magnetic iron ore of high-grade quality.

DAVIS SEPARATION PROCESS

Back in the thirties, as director of the Minnesota Mines Experiment Station at the University of Minnesota, my good friend of many years, Prof. E. W. Davis, developed a process of crushing and grinding this hard rock into a powder as fine as talcum powder, in order to release these black specks of magnetic ore.

Magnets would then pick up the black magnetic iron ore, leaving the powdered silica to be washed away as waste. Three tons of this hard rock have to be blasted, cracked up, crushed, then ground to a fine powder in order to produce 1 ton of high-grade, premium product iron ore; the remaining 2 tons of silica powder is washed away as waste.

With this breakthrough, Professor Davis established convincingly not only the technical, but also the economic feasibility of a process which was to revolutionize the iron ore industry in northeastern Minnesota. This new concept was entirely different from the old, familiar mining of iron ore bodies found in their natural state; it literally converted mining into a manufacturing process, making high-grade iron ore out of a heretofore relatively worthless hard rock bearing scattered particles of iron ore.

This hard rock, taconite, exists in tremendous quantities—running into several billions of tons, throughout northeastern Minnesota, as well as northern Wisconsin and Michigan.

MINNESOTA TACONITE TAX LAW OF 1941

However, before the required large amounts of venture capital could be induced to invest in this new, expensive and complicated process, this new concept with its application of new technology required correspondingly new State iron ore tax legislation.

In the Minnesota State Legislature in 1941, I authored in the State Senate, and was joined by my close friends and colleagues in the House, State Representatives Thomas D. Vukelich and J. William Huhtala, the Minnesota taconite tax law of 1941.

However, by December of that year came Pearl Harbor and we were in World War II. This, then, pushed aside any further interest and activity in taconite for the duration. However, during the war years, the heavy record-breaking drain on the high-grade direct-shipment ores of the Lake Superior region, and especially from northeastern Minnesota's iron ranges, actually set the stage for the subsequent much earlier need for taconite plants in the postwar years.

LARGE INVESTMENT REQUIRED

Following the war, several mining companies, being left with limited or practically no remaining high-grade direct-shipment ore reserves, concluded that taconite production was the answer for their and the area's future. However, the amount of capital required was so large that no one company could undertake such a venture alone; several had to band together to form one large enterprise. The first one so formed was the Reserve Mining Co. Even then, its financial resources were so limited that most of the capital required had to be borrowed from outside eastern financial and insurance interests, in order to build the one large taconite plant required. Unlike the mining of open-pit high-grade ores, where it was possible to start production on a more limited scale, with a much more limited investment, and then gradually build up and increase the facilities and output, taconite, instead, required the complete construction of a

gigantic plant before one pound of high-grade concentrate could be produced. The eastern financial interests were therefore too skeptical of tying up so large an investment in a long-range operation which they felt was not yet too well proven and was too speculative and uncertain.

So, the 5 years, 1946 and into 1950, were spent in a fruitless, discouraging, and frustrating attempt to obtain such a loan, in spite of the fact that these few mining engineers and production men were confident that taconite production could be made commercially feasible and operate successfully on a long-term basis.

FEDERAL LEGISLATION ASSISTS

In Washington, from 1948 and into 1950, I sought in Congress to amend the RFC Act to authorize that Government agency to make such large and long-term—30-year—loans; and we finally began to make good progress.

However, in mid-1950, came another war, the tragic Korean war. To step up our country's defense production for that emergency, Congress passed the Defense Production Act of 1950, and I was successful in getting taconite included in the provisions of that act. Shortly thereafter, the eastern insurance interests agreed to make the loans required by those companies anxious to get into taconite production, and in 1952 Reserve Mining Co. got underway.

FIRST COMMERCIAL TACONITE PLANT

In September of 1956, 5 years ago this month, the first commercial taconite plant on Minnesota's famed Mesabi Iron Range was completed by the newly formed Reserve Mining Co., owned by Republic Steel Corp. and Armco Steel Corp. This gigantic \$200 million taconite installation consisted of two parts: The mining and crushing operation at Babbitt, Minn., on the northeastern end of the Mesabi Iron Range; and the pulverizing, milling, concentrating, and pelletizing plant at Silver Bay, on the famed North Shore of Lake Superior. The Silver Bay plant, a spectacular sight, was most appropriately named the "E. W. Davis Works," in honor of the developer of the process.

ROBERT J. LINNEY

Joining the newly formed Reserve Mining Co. in 1950 was a young, able, energetic, hard-driving engineer named Robert J. Linney, who previously had held important engineering and managerial positions with the Republic Steel Corp. Bob Linney was literally born into the field of sintering and magnetic iron ore processing, for his father was a pioneer in successfully developing earlier processes in the Adirondack mining operation in upper New York State.

As a young lad, under his father's tutelage, Bob Linney worked his way up from the bottom in the difficult, tedious, painstaking trial and error method of experimentation, research, and development which finally resulted in a successful smooth, continuous-flow process.

As an interesting human-interest sidelight, from one whose special interest is in winter sports; during those early years, Bob Linney and his brother took time out from a very heavy work sched-

ule under the watchful eye of a strict disciplinarian and a demanding father for a special project of their own; they designed and constructed their own bobsled with special cast-iron runners, and became so skillful in this dangerous but exciting sport that they were selected to represent the United States at the winter Olympics held in Switzerland in the late thirties.

As manager of operations and vice president of Reserve Mining Co., Bob Linney headed a small team of topnotch engineers, who with remarkable ingenuity and perseverance hammered out the bugs and bottlenecks which were constantly resulting in breakdowns at strategic points, before they finally accomplished their objective of a smooth-functioning continuous-flow process out of this gigantic operation which required such a precise degree of synchronization and coordination.

EXPANSION AT RESERVE

Robert J. Linney was subsequently made president of the Reserve Mining Co. Their initial operation not only exceeded their earlier expectations and estimates, but the taconite pellets became such a highly desirable feed for the blast furnaces that in spite of the competition from foreign high-grade ores, Reserve Mining is so confident of the superiority of their product, and confident in the public support they have received from the citizens and legislators of that area, that they are now well underway with an additional \$120 million expansion of their plant, which will almost double their present capacity, with a final plant that will represent an incredible capital investment of almost one-third of a billion dollars.

OTHER TACONITE OPERATIONS

A second gigantic taconite operation by Erie Mining Co., managed by Pickands Mather & Co., with major interests owned by Bethlehem Steel Corp., and Youngstown Sheet & Tube Co., is also now in full operation in this same general area, with its tremendous capital investment of about or over \$300 million. It is my earnest and confident hope that in the near future additional taconite plants will be built on the Mesabi Range proper, to replace the rapidly dwindling reserves of high-grade direct-shipment ores. Research work with a semi-commercial or pilot plant on nonmagnetic or "semitaconite" is already underway in eastern Itasca County by M. A. Hanna Co., and this process holds great promise for that part of the iron range. Ogelby & Norton Co., who were the original managers for Reserve Mining Co. during its first years, is at present itself surveying and seriously considering the feasibility of constructing a smaller type taconite plant in the Eveleth-Gilbert area, on the eastern part of the Mesabi Range proper.

CENTRAL PLANT COULD STABILIZE MESABI

One large taconite plant located near the center of the Mesabi Range, in the Mt. Iron area, would stabilize the employment and economic situation for the central strip of the range extending from Hibbing easterly to Virginia and Eveleth, an area where unemployment,

now in its fourth consecutive year, is most severe and distressful.

Modern, dual-lane, express highways are now under construction linking Hibbing and Chisholm on the west, and Eveleth and Virginia on the east. The then Minnesota's Gov. Orville Freeman, now a distinguished member of the President's Cabinet, and I initiated these projects 5 years ago, as 50 percent of the project costs come from Federal funds, and the State provides the other 50 percent. Upon their completion I shall then advocate and push for an expressway linking Chisholm with Virginia, so we will then have an expressway right across the range.

With a large taconite plant in the Mt. Iron area, workers could continue to live in their present communities, their children would continue to go to their long-established schools, yet the expressway would enable workers to drive to work at Mt. Iron from their respective communities in times ranging from 10 to 20 minutes. I confidently envisage, before too long a time, a "strip community" extending along most of the Iron Range, just as the huge metropolitan centers out East are already growing in elongated manner along the south-north super-highways to form an almost continuous metropolitan corridor extending from south of Washington, D.C., and running northward through New York City and into Boston.

FURTHER TECHNOLOGICAL ADVANCE POSSIBLE

We are currently getting underway further research and surveys on the technical and economic feasibility of utilizing other new technological processes for the large amount of off-grade ores on the Vermillion, the Mesabi, and the manganese ores of the Cuyuna Ranges; 500 million tons of these off-grade ores are already in stockpiles on the ground, with an estimated billion tons still in the ground. Some form of direct reduction, sintering, or briquetting could well provide the answer to another technological "breakthrough" which would further advance the area's economic posture, as did taconite. I am confident that a sustained and continuous all-out concentrated effort, as earlier applied to the stubborn taconite, can result in further technological advance and economic improvement through the commercial utilization of these ores.

YEAR ROUND EMPLOYMENT

Not only did taconite create new jobs by the thousands, but to me, the big economic significance is that taconite means year-round work, in contrast to the substantial seasonal decline in employment which characterized and plagued our area every winter of every year.

So, Mr. Speaker, with the existing taconite plants, now Reserve's further expansion, and with the additional plants I am confident shall come—all of these will not only make secure and insure the long-term economic stability and sound, healthy growth of that dynamic Iron Range area, but in the broader terms of our national interest and of our national defense, it shall make certain that the major source of high-grade, premium quality iron ore shall continue to be, for years to come, within the continental

borders of the United States, and primarily as in the past, from the Lake Superior district, in the heart of the North American Continent, farthest away from possible attack from the oceans to the east and to the west.

LINNEY SELECTED "MAN OF AMERICAN MINING"

Now, Mr. Speaker, I think it fitting and proper that on this fifth anniversary of Minnesota's first taconite plant, that, not only should this summary account of the industry's background be made, but that specific reference should be made that last January, Robert J. Linney, president of the Reserve Mining Co., was named "Man of American Mining in 1960," with an award made at the annual dinner of the American Institute of Mining, Metallurgical & Petroleum Engineers, Minnesota Section, in Duluth, Minn.

The American Mining Industry & Mining World magazine sponsors this highly coveted award annually, selecting the top man in the field of mining in the entire country.

The award cited Linney's "leadership in design, construction, and operation of taconite mining and milling facilities," and recognized Mr. Linney's "drive and determination which have been a major factor in the commercial production of taconite pellets."

The citation further said the mining industry of America "pays tribute to him for the many contributions he has made to the continuous expansion of production in this new mining frontier."

Mr. Speaker, under unanimous consent, I include an address by America's outstanding mining production engineer, Mr. Robert J. Linney, president, Reserve Mining Co., Silver Bay, Minn.

"TACONITE EXPANSION—ITS ECONOMIC SIGNIFICANCE"

(Robert J. Linney, president, Reserve Mining Co., Silver Bay, Minn.)

What is the real worth of a business to a community or a State?

Too often, I think we are inclined to value a business only in terms of its payrolls, its product or its profits.

There are other factors, equally important from the public's standpoint, and I have been asked to discuss these today—particularly as they exist in the new taconite industry—and in relation to Reserve Mining Co.'s current expansion program. First, I believe it would be helpful to you if I briefly review Reserve's present facilities and situation.

PRESENT FACILITIES

Altogether—including the two complete, new towns built for families of employees, and including powerplant, dock, and harbor—Reserve's facilities represent a total capital investment of about \$190 million. Our initial program called for the production of 3,750,000 tons of pellets per year. This goal was not only reached, but was exceeded in our first full year of operation. You are aware that the operation was the first of its kind on a commercial basis. Naturally there was a great deal to be learned. As is the case with every new, large industrial plant, of course, everything did not go smoothly. We had bugs to iron out—changes and adjustments to make—before we had the smooth-working operation of which we are so proud today.

I am happy to say Reserve did learn a great deal. While the plant came up to expectations, our people were not satisfied to drift along. A research program was begun to see if improvements could be made

not only in quality, but also in production. In addition to the many meetings that are held in an organization of this kind, a weekly meeting was set up and held by Reserve's staff every Monday morning. The entire time, at least 2 hours, in each meeting was devoted to discussing ways and means of improving quality and production. Along with this, a committee composed of blast furnace operators from the two companies which own Reserve—Armco Steel Corp. and Republic Steel Corp.—together with Reserve's operators, was organized to discuss blast furnace problems and how they could be minimized by pellet quality.

As a result of all this, and the addition of only a relatively small amount of equipment, the Reserve operation is now producing at the rate of 6 million gross tons of pellets per year. Remember, the original designed capacity was 3,750,000 tons per year. Along with this, the physical quality which has become so important to blast furnace operators in recent years has been improved by over 100 percent.

EXPANSION PROGRAM

We expect our current expansion program to cost about \$120 million. This will make our total capital investment, when construction is completed in 1963, approximately \$310 million. It's all private capital * * * there's not a dime of Government money involved. Most of it was borrowed from life insurance companies with the rest coming from Armco and Republic.

Construction work on our present expansion program is moving ahead rapidly. About 1,400 construction workers are already on the job and before long, there will be as many as 2,500 men at work for the various contractors.

RESERVE EMPLOYMENT

Permanent employment at Reserve, presently about 2,200, will increase to about 3,000 as the result of expanded operations. This does not include construction workers, of course. From 400 to 500 of the new jobs will be located in Babbitt, and between 300 and 400 of these new jobs will be in Silver Bay. All of these, of course, will be year-round jobs, as Reserve operates 24 hours a day all year round. The only portion of our operations that is halted by winter is our shiploading. We stockpile all the pellets we make during the months when the lakes are frozen over.

COMMUNITY EXPANSION

The program for financing and constructing additional homes and shopping center facilities in the two new taconite-built towns is underway, but the millions to be spent in further expansion and development of these villages are not included in the \$120 million capital investment figure I cited as representing the current industrial expansion program.

A private builder has started building the new homes already. He will sell them to the men Reserve will be employing when the new mine and plant facilities are ready for operation. Initially, about 300 new homes will be constructed in Babbitt and approximately 200 more in Silver Bay. All of these new houses will have three bedrooms and some are designed so that additional living space can be easily prepared by the owner, if he's at all handy with tools.

Babbitt's present population is about 3,000 and Silver Bay's approximately 4,000. Ours are young people, for the most part, and the ratio of children per family is one of the highest in the Nation, I'm told.

Both villages are incorporated today, and virtually all houses originally built by the company have been sold to employees. The shopping centers, too, are now privately owned.

Before I proceed, let me call to your attention that I was invited to speak about Reserve's expansion and its economic signifi-

cance to our State and this area. While I have been, and will be speaking about Reserve, you will understand that much of what I say might also be said of Erie Mining Co. at Hoyt Lakes and Taconite Harbor, and of the Oliver Mining Division's smaller taconite operations in Mountain Iron and Virginia. In addition, as I'm sure you know, both Oliver and the M. A. Hanna Co. are doing valuable work aimed at solving the problems connected with possible large-scale semitaconite operations. I'm sure everyone in the State is greatly interested in seeing all of these go ahead, as well as Reserve's current expansion program.

You may have noticed that I have used the word "current" or "present" expansion program whenever I speak of it. That is because Reserve is planning an expansion program for more expansion programs to come—when conditions warrant. Concrete evidence of this lies in the fact that virtually every facility and major unit being expanded in the current expansion program will have capacities which will permit going substantially beyond the 9-million-ton-per-year figure, or the basic work is being performed in a way that future expansion will not cause disruption of production.

We are doing this because we hope to keep right on growing right here in Minnesota.

ECONOMIC SIGNIFICANCE OF EXPANSION

Now, what is the economic significance of Reserve's expansion program to this area and the State of Minnesota, over and beyond the jobs created by our actual mining and processing?

Everyone recognizes that when new industrial jobs are created, there is a net addition to the income flow in the area. New payroll dollars roll into the cash registers of the merchants and into the coffers of banks. Reserve's purchases and the purchases of Reserve's employees snowball importantly. This applies not only to large suppliers, but to small ones, as well.

For example, suppose Reserve wants some forms printed and orders the work from a Duluth printshop. The printer recognizes that it is taconite that brought him this business. Chances are, though, that the salesman who sells paper—or ink—to the printer doesn't realize that he sold the paper because of taconite. Certainly, the gasoline station that fills the gas tank of the paper salesman's auto doesn't realize he made the sale because of taconite.

There is a never-ending flow of benefits. Reserve, the printer, the paper salesman, the gasoline station operator—they all pay wages, they all pay taxes, and they all buy autos and groceries and clothes.

All of us recognize that industrial expansion results in a healthy expansion of an area's economy, but just how much is a tough question. Supposedly, I am a mining engineer, not a statistician nor an economist. Accordingly, it would be foolish for me to propose my own ideas for measurement. I might be like a man who sets out to measure the rate of the growth of tides. If he starts his measurement with the crest of a wave and ends up measuring at the bottom of a trough, he can conclude that the tide is going out.

EFFECTS OF NEW INDUSTRIAL PAYROLL

However, a number of expert and competent attempts have been made to measure the effects on an area of a new industrial payroll. Exact measurement is not possible, of course, because of the complex simultaneous influences that are at work. Generally speaking, each of these studies has arrived at substantially the same statistical conclusions.

The most conservative and most thorough study that has come to my attention was sponsored by the U.S. Chamber of Commerce in Washington, D.C. The work was done about 5 years ago by economists and statisticians of the Economic Research Depart-

ment, based on an analysis made of nine sample counties, located in nine different States.

It says, quote, "What 100 new factory workers meant to their community: 296 more people; 112 more households; 51 more schoolchildren; \$590,000 more personal income per year; \$270,000 more bank deposits; 107 more passenger cars registered; 174 more workers employed; 4 more retail establishments; \$360,000 more retail sales per year."

The study, in booklet form, contains many more figures and details, but I will not take time to read them to you. I would like to apply this yardstick to Reserve's situation.

WHAT 3,000 RESERVE JOBS MEAN TO AREA

Reserve Mining Co.'s present employment plus the employment we will add to our payroll on a year-round basis when our expansion program is completed will total approximately 3,000. According to this study by the U.S. Chamber of Commerce, here's what those 3,000 Reserve jobs mean to our State and area: 8,980 more people—wives and children making up the bulk of the difference, of course; 3,360 more households; \$17,700,000 more personal income per year; \$8,100,000 more bank deposits—in Silver Bay, Babbitt, Duluth, and wherever these people bank; 3,210 more passenger cars registered; a total of 5,220 workers employed—these are Reserve employees plus the doctors, teachers, grocers, paper salesmen, and all the rest; 120 more retail establishments; \$10,800,000 more retail sales per year.

Naturally, this isn't instantaneous—the growth would come gradually. It would take place in Babbitt, Silver Bay, Duluth, and everywhere in the region where the supplementary jobs resulting from Reserve employment are located.

These examples give us an idea of how important 3,000 new industrial jobs can be. It doesn't matter whether they are Reserve jobs, or Erie jobs, or any other new industrial employment.

DOLLARS COME FROM OUTSIDE

And bear in mind that every ton of Reserve's product is sold outside the State. We're not recirculating Minnesota dollars—every dollar we receive, every dollar we pay out in payrolls, for supplies, equipment, taxes, and other expenditures, comes from outside the State of Minnesota.

BASIS FOR EXPANSION

When the Minnesota Legislature was framing the State income tax law, I am told that they gave special consideration to companies that manufactured their product in Minnesota and sold it outside the State. A formula was devised for allocating net income to the State. It was designed to encourage the location of such corporations in Minnesota and to encourage their expansion. Many people talk as if the taconite industry was the only industry encouraged to locate and expand in Minnesota by favorable tax legislation. They forget that one reason for the expansion in Minnesota of some of its leading manufacturing companies, whose names are known all over the Nation, was the income tax treatment given in recognition of the fact that employment was more important than a greedy tax policy.

You can imagine what would happen to the prospects of any future expansion of these nationally known manufacturers of which we are so proud if the State, in an attempt to get more taxes, should reverse that policy. There would be an exodus; any thoughts of expansion of those industries would go out the window.

The same thing is true with respect to the taconite industry. Reserve made its investment in Minnesota and is now making its expansion, relying upon a solemn pledge by the State that it would not be subjected to the heavy taxes under which the iron mining industry has been laboring. If there

should be a change in that policy—or even a substantial threat of a change—any future thought of expanding would be forgotten. We hope to keep right on growing—right here in Minnesota. We hope to keep growing—but whether we can do this depends, to a large extent, upon our belief in the continued protection of the taconite industry against oppressive taxation.

You may wonder why Reserve feels confident enough to go ahead with its present expansion program, while other large companies—interested in Minnesota taconite and desirous of building plants here—hesitate. I cannot give you all the answers for those companies. I can point out, however, that Reserve has been peculiarly fortunate in that it was investing in a new area. It was not moving into a host of local tax controversies, such as have confronted other companies. It has had to build new communities at heavy expense. However, those communities are of a size and nature appropriate to Reserve's operations. We are not faced with a threat of a shifting of heavy present local taxes of communities with large populations onto our taconite plant as other sources of tax revenues diminish. We did not have the feeling of being a traditional target at which all taxing bodies might shoot.

As our problem was different, so was our answer. But I can join with others in saying that nothing is more important to the future of northeastern Minnesota—insofar as that future depends, as it does, upon taconite—than the confidence of steel companies that huge investments in plants and facilities will be protected.

STATE AND LOCAL TAXES CONTRIBUTIONS

Let's look at Reserve's operation from another angle. Reserve's facilities are located in regions which previously had very few people—less than one person per square mile. The region produced little tax revenue for the local and State taxing districts because much of the area was owned by the State or Federal Government and the rest was relatively idle and not productive. The two areas probably were a drain on the public treasuries, rather than contributing in a positive way.

And what is the situation today? Reserve itself has been paying approximately \$2 million each year in State and local taxes, and for 1960 this tax bill may go close to \$2,500,000. Here is a listing of Reserve's estimated Minnesota State and local tax bills for 1960, not including any State employment taxes and, of course, not including Federal taxes.

Reserve Mining Co., summary of Minnesota taxes

	1960 estimate	Total through 1960
Taconite tax.....	\$320,000	\$1,475,000
Taconite railroad tax.....	400,000	1,640,000
Occupation and royalty taxes.....	540,000	1,377,000
Special school tax.....	1,055,000	4,018,000
Ad valorem (property) tax.....	50,000	1,082,000
Mortgage registry tax.....	214,500
Total.....	2,365,000	9,806,500

Many people, no doubt, assume that taconite companies pay only the taconite tax. They do not know that our other Minnesota State and local taxes for 1960 will run seven times as much as the taconite tax alone, and as our scale of operation increases and our operating margins improve, our taxes will probably increase in a corresponding degree.

Reserve has been in operation for only 5 years, and instead of paying practically no tax—as some might assume; indeed as some people have stated—Reserve's total State and local taxes paid in Minnesota, including our 1960 taxes, amount to almost \$10 million.

As a matter of fact, we believe that Reserve Mining Co. pays the biggest State and local tax bill of any company in the State of Minnesota—except for utilities, railroads, and several iron ore mining companies, of course. The significance of this comes to me when I think of some of the big manufacturing companies which are located in the State of Minnesota. Known worldwide, employing up to six times as many people in the State as Reserve employs, old established companies, yet none of them pays as big a State and local tax bill as Reserve Mining Co.

Believe it or not, on the \$100 million we will be borrowing from the insurance companies—borrowing, not lending—we will have to pay in Minnesota, \$150,000 mortgage registry tax. We paid \$214,000 mortgage registry tax on our original mortgage.

In addition to these direct taxes, Reserve has already had a very substantial expense in improvements ordinarily taken care of by taxes or special assessments. In the villages of Silver Bay and Babbitt, the streets, water systems, sewers and sewage disposal plants were all paid for in full by Reserve at a cost running into millions. When the houses and lots were sold to employees, the purchase price of these, as a general proposition, was about 30 percent less than the cost of the improvements and building.

EMPLOYEES ARE TAXPAYERS

Reserve employees are taxpayers, too, as are the merchants and all others who serve them. We estimate that Reserve employees alone have been paying about one-fourth of a million dollars each year in State income tax.

The areas of Babbitt and Silver Bay produced little or no taxes; then taconite facilities were built; now the areas are important sources of tax revenues for our State, counties, villages and school districts.

INVESTMENT PER EMPLOYEE

Some time ago, we conducted an informal survey which I think will be of interest to you. We wrote to the treasurers of various companies in the State. The companies were selected at random. One flour and milling company, one knitting mill, one large manufacturer, one meatpacker, a resort—in fact, we wrote to every different kind of business concern we could think of.

We asked the treasurer of each of these companies if he would give us two figures; his company's capital investment within the State per Minnesota employee, and we asked how much his company's State and local tax bill per Minnesota employee was. We promised them we would not reveal the names of their companies, but would identify them only as to their type of business.

The figures for a manufacturing concern, for example, represent just one manufacturing company in Minnesota, not the average for all, and not necessarily the largest or the smallest. Excluding the other mining companies, utilities and railroads, the replies we received stacked up this way: The investment per employee in Reserve Mining Co. was the highest on the list—about \$83,000. The next highest was paper milling, but the figure was only one-fourth of Reserve Mining Co.'s and all of the rest were smaller. The list included the following categories listed alphabetically:

Auto sales and service, dairy products, dry-cleaning and laundry, flour and milling, foundry, metal works, knitting mill, manufacturer, meatpacker, office equipment and supplies, papermill, retail grocery, rubber parts manufacturing, large resort, wholesale hardware, and wholesale food.

Here are the results of the other question—where we asked these same companies to let us know what their company's Minnesota State and local tax bill was, per Minnesota employee. Again, Reserve topped the list with a State and local tax total per employee of \$805. Papermills were second at

\$525, and all of the rest were lower. The categories were the same as those which I just listed.

Beginning back in 1941 with the passage of the taconite tax law, much special legislation has been enacted for taconite. It was designed to attract this new industry and to establish conditions which would encourage its growth and help it in one of the toughest competitive battles American business knows today.

If the stockholders of Reserve had not put their faith in Minnesota's assurance of fair tax treatment of taconite operations, there wouldn't have been any investment in Reserve's operation; Silver Bay and Babbitt would never have come into existence.

TAXES AND PAYROLLS

The people and their elected representatives were willing—eager—to enact this enabling legislation because they recognized the importance of payrolls. They were willing to trade taxes for payrolls. From what I have told you, I'm sure you'll agree they made a mistake. A glorious mistake. They got the payrolls and they got taxes, too.

Don't misunderstand me. Reserve is not demanding that its taxes be reduced. We believe we have received fair and understanding treatment from the State. Reserve has been comparatively free from both State and local controversies over tax and legislative matters. But we do want to dispel any notion that taconite is getting a free ride. Nothing could be further from the truth. Reserve is paying its way.

If you are not already overwhelmed with figures, perhaps you'll forgive me if I make quick mention of a few more: Our fixed charges each year on our present operations—before this expansion program—amount to some \$20 million. In addition, Reserve is spending each year: \$15 million for payrolls; \$80,000 for office supplies; \$1,750,000 for explosives; \$2,500,000 for repair parts; \$1,500,000 for coal; \$70,000 for oxygen; \$750,000 for extra electricity—in addition to what we produce ourselves; \$100,000 for calcium chloride; \$3 million for fuel oil; all of these are annual costs.

I apologize for throwing so many figures at you, but I did not want you to hear only half of the story. Too many people in Minnesota believe taconite's contribution to the State and area lies in its payroll. That is a half-truth. Half-truths are like half-bricks—you can throw 'em a lot farther. I wanted to throw both halves of the brick.

I hope you have a better understanding, now, of our expansion program and taconite's significance to our State and area.

It is a striking illustration of what benefits can flow from intelligent encouragement of industry.

Thank you.

AMENDING VIRGIN ISLANDS CORPORATION ACT

Mr. O'BRIEN of New York. Mr. Speaker, I call up the conference report on the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1260)

The committee of conference on the disagreeing votes of the two Houses on the

amendment of the Senate to the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the figure "\$16,000,000" on line 7, insert "\$15,000,000"; and the Senate agree to the same.

LEO W. O'BRIEN,
WALTER ROGERS,
JAMES A. HALEY,
JOHN P. SAYLOR,
JOHN KYL,

Managers on the Part of the House.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOHN A. CARROLL,
HENRY C. DWORSHAK,
THOMAS H. KUCHEL,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

When the House considered H.R. 4750, it concluded that a \$2,500,000 increase in the borrowing authority of the Virgin Islands Corporation for the purchase of one 5,000-kilowatt diesel generator for use in its electric system was warranted. The Senate concluded that the increase should be \$5,000,000 for two generators.

After consideration of this matter, the Members appointed to represent the two Houses in conference decided to recommend a \$4,000,000 increase. This amount, plus the uncommitted portion of VICORP's present borrowing authority, will, it is believed, be sufficient to take care of the electric needs of both St. Croix and St. Thomas for several years. It is believed, moreover, that there will probably be some saving if both diesel generators are ordered at the same time.

Concern was expressed by members of the conference committee over the length of the leadtime which representatives of VICORP and the Interior Department had estimated would be needed for procurement of the generators. It was therefore the consensus of the conferees that VICORP should proceed to prepare its specifications and ask for bids immediately, that it should report to the two Committees on Interior and Insular Affairs not later than January 31, 1962, on the bids that have been received and precisely when and where the generators are to be installed, and that it should not go beyond the stage of receiving and evaluating bids until a reasonable time for consideration of this report has elapsed.

LEO W. O'BRIEN,
WALTER ROGERS,
JAMES A. HALEY,
JOHN P. SAYLOR,
JOHN KYL,

Managers on the Part of the House.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

RELIEF OF STATE OF LOUISIANA

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2396) for the

relief of the State of Louisiana, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States hereby waives any and all rights it has or may have with respect to claiming a violation on the part of the State of Louisiana for failure to comply with a restriction in a deed of conveyance dated September 30, 1920, from the Rockefeller Foundation to the State of Louisiana, limiting the purposes for which income from leases on mineral lands included within the lands conveyed by such deed may be used, if the violation occurs solely as the result of the State of Louisiana apportioning and using 10 per centum of such income in accordance with article 4, section 2 of the constitution of such State, as in effect on the date of enactment of this Act, such restriction having been specifically included in the terms of such deed and all rights of the grantor under such deed having been assigned to the United States by the Rockefeller Foundation.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF OBSOLETE VESSELS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1728) to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 510 of the Merchant Marine Act, 1936 (46 U.S.C. 1160), is amended by:

(1) Striking the present subsection (b) and inserting in lieu thereof the following:

"(b) In order to promote the construction of new, safe, and efficient vessels to carry the domestic and foreign waterborne commerce of the United States, the Commission is authorized, subject to the provisions of this section, to acquire any obsolete vessel in exchange for an allowance of credit. The obsolete vessel shall be acquired by the Commission, if the owner so requests, either at the time the owner contracts for the construction or purchase of a new vessel within five days of the actual date of delivery of the new vessel to the owner. The amount of the allowance shall be determined at the time of the acquisition of the obsolete vessel by the Commission. In the event the obsolete vessel is acquired by the Commission at the time the owner contracts for the construction or purchase of the new vessel, the allowance shall not be paid to the owner of the obsolete vessel, but shall be applied upon the purchase price of a new vessel. In the case of a new vessel constructed under the provisions of this Act, such allowance

may, under such terms and conditions as the Commission may prescribe, be applied upon the cash payments required under this Act. In case the new vessel is not constructed under the provisions of this Act, the allowance shall, upon acquisition of the obsolete vessel by the Commission, be paid, for the account of the owner, to the shipbuilder constructing such new vessel. In the event that title to the obsolete vessel is acquired by the Commission at the time of delivery of the new vessel, the allowance shall be deposited in the owner's capital reserve fund. This subsection shall apply to obsolete vessels exchanged for new vessels hereafter contracted to be built, or eligible for such exchange but not exchanged in connection with a contract for new vessels executed prior to October 1, 1960."

(2) Striking the present subsection (d) and inserting in lieu thereof the following:

"(d) The allowance for an obsolete vessel shall be the fair and reasonable value of such vessel as determined by the Commission. In making such determination the Commission shall consider: (1) the scrap value of the obsolete vessel both in American and foreign markets, (2) the depreciated value based on a twenty or twenty-five year life, whichever is applicable to the obsolete vessel, and (3) the market value thereof for operation in the world trade or in the foreign or domestic trade of the United States. In the event the obsolete vessel is acquired by the Commission at the time the owner contracts for the construction of the new vessel, and the owner uses such vessel during the period of construction of the new vessel, the allowance shall be reduced by an amount representing the fair value of such use. The rate for the use of the obsolete vessel shall be fixed by the Commission for the entire period of such use at the time of execution of the contract for the construction of the new vessel."

With the following amendment:

Page 2, line 7, after the word "date" insert the word "or".

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND ON ARMS CONTROL AGENCY BILL

Mr. LAIRD. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks just prior to the adoption of the conference report on the arms control bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION

Mr. HUDDLESTON submitted the following conference report and statement on the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended:

CONFERENCE REPORT (H. REPT. NO. 1264)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as

amended, having met, after full and free conference, have been unable to agree.

GEORGE HUDDLESTON, JR.,
FERNAND J. ST. GERMAIN,
JOEL T. BROYHILL,
Managers on the Part of the House.
WAYNE MORSE,
WINSTON L. PROUTY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended, report that the conferees have been unable to agree.

GEORGE HUDDLESTON, JR.,
FERNAND J. ST. GERMAIN,
JOEL T. BROYHILL,
Managers on the Part of the House.

RELIEF OF THE STATE OF NEW HAMPSHIRE

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1942) for the relief of the State of New Hampshire.

The Clerk read the title of the bill.

Mr. GROSS. Mr. Speaker, reserving the right to object, this bill has not been on the Private Calendar?

Mr. LANE. No; this bill has been on the Consent Calendar; it is a public bill.

Mr. GROSS. Will the gentleman give us a brief explanation of what the bill seeks to do?

Mr. LANE. I shall be pleased to.

The bill, S. 1942, would make it possible to pay the State of New Hampshire \$65,049.93 in settlement of its claims against the United States for reimbursement for amounts it was forced to pay in satisfaction of judgments rendered against it based upon property damage caused by the crash of an aircraft owned by the United States and operated by a member of the New Hampshire Air National Guard while on active duty on a training mission. The crash occurred on July 18, 1957, at Worcester, Mass. The airplane was a complete loss and both the pilot and his observer were killed. Seven homes were damaged as the result of the crash and the resulting fire. The damage amounted to about \$75,000 to \$100,000.

Since a number of the claims based upon this crash exceeded the \$1,000 limit set by the law authorizing payment of claims arising from such training activities, special legislation was introduced to remove that limit and permit settlement of the claims. However, the Senate Judiciary Committee amended the bill to exclude insurance subrogation claims, and the bill was enacted including that amendment. All of the property damage claims presented were settled under the authority of the special act, but any portion of those claims covered by insurance was disallowed under the authority of the exclusion in that act. The total of the subrogated claims presented which the Air Force would have paid, except for the statute's prohibition, was \$65,049.93. This, of course, resulted in the actions against

the State and the judgments with which this bill is concerned since the subrogee insurance companies brought suits against the State of New Hampshire in State courts. Judgments were obtained against the State in the total amount of \$72,645.77.

The amount stated in the bill, \$65,049.93, is the amount of such judgments less an amount fixed as interest.

This is an instance where the Congress granted authority to settle claims arising out of an air crash by passing the legislation which became Public Law 85-760.

Actually, it was not intended that the State would be required to pay as it ultimately was required to do, but rather the exclusion was to apply to payments made by insurance companies in accordance with the terms of their various policies. The resultant liability asserted against the State of New Hampshire was therefore a result not fully understood at the time of the original enactment. That law was enacted because it was recognized that the United States had a moral obligation to extend relief in the cases of losses resulting from the crash. The same considerations apply in extending relief in this instance to the State of New Hampshire.

Mr. GROSS. Has this bill been on the Consent Calendar during this session of Congress?

Mr. LANE. Yes, it has been on the Consent Calendar.

Mr. GROSS. Has it been objected to?

Mr. LANE. It has never been called up on the calendar.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the State of New Hampshire the sum of \$65,049.93. The payment of such sum shall be in full satisfaction of all claims of the State of New Hampshire against the United States on account of judgments rendered against such State in connection with property damage caused by the crash of an aircraft which was owned by the United States and was, at the time of such crash (July 18, 1957), being operated by a member of the New Hampshire Air National Guard while on an active duty for training mission authorized by the National Guard Bureau, Department of Defense: Provided, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING THE TRADE AGREEMENTS ACT

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, I have introduced in the House, H.R. 8850, a bill to adjust conditions of competition between domestic and foreign industries by amending the Trade Agreements Act.

As we all know, the Congress next year will be compelled to consider the question of renewing or failing to renew the reciprocal trade law. The consideration of this problem will provide one of the most controversial areas in the second session of the 87th Congress.

It will be controversial because so many American citizens, both managers and workers, believe that their businesses have been unduly and unreasonably injured by the increasing volume of non-competitive imports.

This is not only a difficult question—it is a delicate one. The reason is that it is obvious that in today's world, we can no longer build around the United States a Chinese wall of tariffs and exclusionary restrictions. We wish to trade freely with nations which are allied with us in the struggle against communism and these nations can resist communization and the impulse to engage in war for markets and natural resources only if they have strong economies.

On the other hand, it is clear that each industry has a point of no return beyond which it cannot be forced without loss of jobs and loss of essential financial resources that are necessary for growth and expansion. This point of no return may vary from industry to industry, but it certainly exists.

I believe that the time has come for us to take a long, hard look at our tariff arrangements. Now, I do not for a moment believe that we can return to the late nineties. On the other hand, I do feel that we must consider the inroads which unfettered imports have made upon so many of our industries with consequent loss of jobs, taxes, and community support. And, may I emphasize at this point that it is not only the fact of the importation that is harmful; it is the introduction of articles which compete, to a large degree, in quality and which are produced at wage rates and under conditions which are only a fraction of the cost of production in the United States that is injurious. Many an American industry in this situation competes with one hand tied behind its back.

H.R. 8850 proposes to change the present tariff laws.

To begin with, it would codify and unify all existing provisions of law. In addition, it would limit the increases which could be made in any rate of duty. It would also limit any decreases in such rates.

It provides a liberalized standard for finding injury to domestic industry and

would make remedial action mandatory upon recommendation of the Tariff Commission unless there were an affirmative determination by the President to the contrary, together with congressional approval thereon.

These are the main provisions of my bill and I believe that they will provide a basis of discussion for the Ways and Means Committee which will have charge of this type of legislation.

I wish to emphasize that I do not have a doctrinaire approach to the solution of this problem and I believe that one of the reasons why we have come to a critical point in this area is the failure of the trade liberals to admit that there were any faults whatsoever in the present system.

If we can look at each case as it arises, however, and grant effective relief where relief is warranted, while withholding it where the public interest makes it undesirable, I believe that we will advance our foreign relations while protecting the domestic economy.

I have filed this bill in the interest of contributing to the discussion which is certain to come and which will be vitally important to the country. I hope that this bill will contribute to this discussion points of importance which will have a substantial effect in bringing about the necessary improvement of our international trade laws.

Following is the text of H.R. 8850:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trade Agreements Act of 1961".

SEC. 2. FINDINGS AND POLICY.—(a) The Congress finds that—

(i) The maintenance of a strong and expanding economy in the United States is a basic essential to the maintenance of the national defense and the protection and welfare of the allies of the United States among the free nations of the world.

(ii) The Trade Agreements Act of 1934 and the several Trade Agreements Extension Acts were enacted for the purpose of expanding foreign markets for United States products by regulating admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production in a manner to make available foreign markets to those branches of American production which require and are capable of developing such outlets, all to the ultimate end of strengthening the domestic economy.

(iii) Profound changes have taken place in the international competitive standing of United States producers in the period since the enactment of the Trade Agreements Act of 1934, and particularly in the past ten years. Among other things, foreign aid and other programs of the United States have artificially stimulated production in foreign countries, have provided them with American know-how and equipment and in some cases with supplies and raw materials at no cost or at far less than the cost to American producers of such know-how, equipment, supplies, and materials. In considerable part as a result of these programs, foreign natural resources have been developed, foreign products have been improved and productivity of foreign labor has been substantially increased.

(iv) Notwithstanding the increased efficiency and productivity of foreign extractive and manufacturing operations, the standard of living in most countries export-

ing to the United States has continued substantially below the standard prevailing in the United States and foreign wage rates and working conditions are generally below the minimums fixed by the laws of the United States and the several States, and far below those actually prevailing in practically all United States industries.

(v) The United States has moved from a position of a leading export nation in a number of items that are mass produced and are the output of our most advanced industries technologically, which reflects a serious loss of technological leadership by the United States to other countries that enjoy a wage differential. The decline of industries whose products or technological skills are essential to an adequate national defense pose a grave threat to the national security.

(vi) As a result of these developments the soundness of the entire domestic economy is seriously threatened. As foreign competition captures progressively larger shares of the United States market for numerous products, there is created a grave threat to the survival of some of our industries, the maintenance of the United States scale of wages and the enjoyment of the United States standard of living.

(vii) Present laws with respect to entry into foreign trade agreements with foreign governments and modification of customs treatment of imported products are inadequate to prevent or remedy the injury to domestic industry found herein to have occurred and to be threatened.

(b) It is declared to be the policy of Congress to promote the foreign trade of the United States on a fair competitive basis, so as to encourage mutually beneficial trade in a manner which appropriately recognizes the interests of domestic industry primarily dependent on the home market as well as those of industries seeking export opportunities, and that to that end the tariff treatment of foreign articles shall be adjusted from time to time as hereinafter provided.

SEC. 3. FOREIGN TRADE AGREEMENTS.—(a) The authority of the President to enter into foreign trade agreements under section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), shall terminate on the close of June 30, 1962. The provisions of said section shall remain in effect to the extent necessary to effectuate any trade agreements entered into prior to that date.

(b)(1) On and after July 1, 1962, the President, whenever he finds as a fact that modification of existing duties or other import restrictions of the United States or any foreign country is necessary to promote the objectives set forth in section 2 of this Act, is authorized from time to time—

(A) to enter into foreign trade agreements with foreign governments or instrumentalities thereof;

(B) to proclaim such modification of duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements entered into pursuant to this subsection as are required or appropriate to carry out such foreign trade agreements.

(2) No proclamation pursuant to subparagraph (1)(B) of this subsection shall be made—

(A) increasing any rate of duty above the highest of the following rates:

(i) the rate 50 per centum above the rate existing on July 1, 1934; except that a specific rate of duty existing on July 1, 1934, may be converted to its ad valorem equivalent based on the value of imports of the article concerned during the calendar year 1934 (determined in the same manner as provided in subparagraph (b)(11)) and the proclamation may provide an ad valorem rate of duty not in excess of 50 per centum above

such ad valorem equivalent: *Provided*, That if imports of the article in the calendar year 1934 were insufficient to provide a basis for determining import value, then import value in the nearest calendar year in which there were imports sufficient to establish an import value shall be used.

(ii) the minimum rate permitted by subparagraph (C) of this paragraph.

(B) Decreasing any rate of duty below the lowest of the following rates:

(1) the rate which would result from decreasing the rate existing on July 1, 1962, by 10 per centum of such rate.

(ii) in the case of any article subject to an ad valorem rate of duty above 50 per centum (or a combination of ad valorem rates aggregating not more than 50 per centum), the rate of 50 per centum ad valorem (or a combination of ad valorem rates aggregating 50 per centum). In the case of any article subject to a specific rate of duty (or a combination of rates including a specific rate) the ad valorem equivalent of which has been determined by the President to have been above 50 per centum during a period determined by the President to be a representative period, the rate 50 per centum ad valorem or the rate (or a combination of rates), however stated, the ad valorem equivalent of which the President determines would have been 50 per centum during such period. The standards of valuation contained in section 402 or 402a of the Tariff Act of 1930 (19 U.S.C. 1401a or 1402) (as in effect, with respect to the article concerned, during the representative period) shall be utilized by the President, to the maximum extent he finds such utilization practicable, in making the determinations under the preceding sentence.

(C) Establishing or continuing in effect (either by specific provision or by failure to make such provision) any rate of duty or other import restriction which is less than the rate or other restriction found by the United States Tariff Commission in a report to the President, pursuant to section 3 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1360), to be necessary to prevent or avoid injury or threat of injury to the domestic industry producing like or directly competitive articles.

(c) Subject to the provisions of section 5 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1362), reductions in duties and other import restrictions proclaimed pursuant to this section shall apply to articles the growth, produce, or manufacture of—

(1) the foreign country or foreign countries with which the foreign trade agreement providing for such duties and other import restrictions was concluded;

(2) other foreign countries with which foreign trade agreements were negotiated simultaneously with or subsequent to the agreement providing for such duties and other import restrictions, which foreign trade agreements in consideration of concessions granted to the United States therein provide for application of the concessions granted by the United States in such other agreement.

The President, as soon as practicable but in no event later than June 30, 1964, shall take such action as may be necessary to bring trade agreements heretofore entered into under section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), into conformity with the policy established in this subparagraph.

(d) The President may at any time terminate, in whole or in part, any proclamation made pursuant to this section: *Provided*, That no proclamation shall be terminated in part where the effect of such partial termination is to avoid the requirements of subparagraph (2)(C) of subsection (b) of this section or of section 7 of this Act.

(e) Paragraph 1 of subsection (c) of section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), is amended to read as follows:

"As used in this section, the term 'duties and other import restrictions' includes (A) rate and form of import duties and classification of articles and (B) quotas and other limitations, prohibitions, charges, and exactions other than duties, imposed on imports or imposed for the regulation of imports."

(f) Subsections (c), (e), and (f) of section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), subsection (b) of section 2 of the Trade Agreements Act of 1934, as amended (19 U.S.C. 1352), and subsection (a) of section 2 of the Trade Agreements Extension Act of 1954, as amended (19 U.S.C. 1352a), shall be applicable to all actions taken and matters arising under this section.

SEC. 4. PERIL POINT.—Section 3 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1360), is hereby amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) Before entering into negotiations concerning any proposed foreign trade agreement under section 3 of the Trade Agreements Act of 1961, the President shall furnish the United States Tariff Commission (hereinafter in this Act referred to as the 'Commission') with a list of all articles imported into the United States to be considered for possible modification of duties and other import restrictions, imposition of additional import restrictions, or continuance of existing customs or excise treatment. Upon receipt of such list the Commission shall make an investigation and report to the President the findings of the Commission with respect to each such article as to (1) the limit to which such modification, imposition, or continuance may be extended in order to carry out the purpose of such section 3 without causing or threatening injury to the domestic industry producing like or directly competitive articles; and (2) if increases in duties or additional import restrictions are required to avoid injury or threatened injury to the domestic industry producing like or directly competitive articles the minimum increases in duties or additional import restrictions required. Such report shall be made by the Commission to the President not later than six months after the receipt of such list by the Commission. No such foreign trade agreement shall be entered into until the Commission has made its report to the President or until the expiration of the six months' period."

(2) Subsection (b) is amended by striking out the words "upon which a tariff concession has been granted" and the word "serious" in the second sentence of paragraph (1) and the word "serious" in the second sentence of paragraph (2).

SEC. 5. SUSPENSION OR WITHDRAWAL OF CONCESSIONS FROM COMMUNIST AREAS.—Section 5 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1362), shall be applicable to trade agreements entered into under section 3 of this Act.

SEC. 6. ESCAPE CLAUSE FOR EXISTING AND FUTURE AGREEMENTS.—Section 6 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1363), is hereby amended to read as follows:

"SEC. 6. (a) No reduction in any rate of duty, or binding of any existing customs or excise treatment, or other concession proclaimed under section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), or under section 3 of the Trade Agreements Act of 1961 shall be permitted to continue in effect when the product on which the concession has been granted is as a result, in whole or

in part, of the duty or other customs treatment reflecting such concession, being imported into the United States in such quantities or under such circumstances as to cause or threaten injury to the domestic industry producing like or directly competitive products.

"(b) The President as soon as practicable but in no event later than June 30, 1964, shall take such action as may be necessary to bring trade agreements heretofore entered into under section 350 of the Tariff Act of 1930, as amended, into conformity with the policy established in subsection (a) of this section."

SEC. 7. ADJUSTMENT OF IMPORT DUTIES AND QUOTAS.—(a) Upon the request of the President, upon resolution of either House of Congress, upon resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, upon its own motion, or upon application of any interested party (including any organization or group of employees), the United States Tariff Commission shall promptly make an investigation and make a report thereon not later than six months after application is made to determine whether any product is being imported into the United States in such quantities or under such circumstances as to cause or threaten injury to the domestic industry producing like or directly competitive products.

In the course of any such investigation, whenever it finds evidence of injury or threat of injury or whenever so directed by resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, the Tariff Commission shall hold hearings giving reasonable public notice thereof and shall afford reasonable opportunity for interested parties to be present, to produce evidence, and to be heard at such hearings.

Should the Tariff Commission find as the result of its investigation and hearings that a product is being imported into the United States in such quantities or under such circumstances as to cause or threaten injury to the domestic industry producing like or directly competitive products, then it shall further determine what modifications of the existing customs treatment of such product are necessary to prevent or remedy such injury or threat of injury. Such modifications may include withdrawal, modification, or suspension of concessions granted under any trade agreement, imposition of new duties or increase in existing duties, or establishment of quotas in amounts and for periods specified, or any combination thereof, in each case to the full extent determined by the Tariff Commission to be necessary without regard to limitations imposed by any other provision of law.

(b) In arriving at a determination in the foregoing procedure, the Tariff Commission shall consider as evidence of injury or threat of injury any of the following: A decline in the volume of sales of the domestic products; or a decline in prices or profits or wage rates or working hours of take-home pay in the domestic industry involved, in each case either actual or relative to the trend in domestic industries producing articles of the same general class; or a small proportion of the domestic consumption supplied by the domestic producers; or a higher or growing inventory among domestic producers; or a curtailment of investment for equipment, facilities, exploration, research, and development in the domestic industry; or an unfair competitive advantage to the imported product over the domestic products by reason of the difference in the wages and hours in effect in the foreign industry producing the imported product, and the minimum wage and maximum hours in the domestic industry producing the products or

by reason of a difference in other costs of production; or a difference between the average landed cost of the imported product and the average price at which the domestic products were sold at wholesale in principal markets in the United States.

(c) The Commission may make a finding of injury or threat of injury on the basis of any one or more of the factors specified in subsection (b). Without limiting the generality of the foregoing, a finding by the Commission in any such proceeding—

(A) that the proportion of the United States market for a product which is being supplied by imports has increased significantly over the proportion of such market supplied by imports in the appropriate base period fixed in accordance with subsection (e); or

(B) that United States prices for an imported product or like or directly competitive domestic products have declined significantly and that the profits of a substantial number of domestic producers upon sale of such like or directly competitive products have declined significantly; or

(C) that United States prices for an imported product or like or directly competitive domestic products have declined significantly in relation to the prices of other products of the same general class as shown by an appropriate United States price index selected by the Commission, and that the profits of a substantial number of United States producers upon sale of such like or directly competitive products have declined significantly; or

(D) that prevailing wage rates or average take-home pay in the domestic industry producing products like or directly competitive with an imported product have declined relative to prevailing wage rates or average take-home pay in industries producing other articles of the same general class;

shall be deemed to establish injury or threatened injury to the domestic industry involved requiring a modification of tariff treatment as provided in this section unless the record of the investigation and hearings shall clearly establish and the Commission shall affirmatively find that imports were not a factor contributing to the conditions so found to exist.

(d) (1) The Tariff Commission shall immediately make public its report, including any dissenting or separate findings, and shall cause a summary thereof to be published in the Federal Register and shall transmit a copy of the report to the President and to the Committee on Ways and Means of the House and the Committee on Finance of the Senate.

(2) The modification of existing tariff treatment found by the Tariff Commission to be necessary shall be proclaimed by the President, effective upon a date to be specified in his proclamation, which shall be issued promptly after expiration of the period for congressional action as provided in this paragraph 2, unless—

(A) within sixty days following transmittal of the Tariff Commission report to the President, the President submits a report to the Committee on Ways and Means of the House and the Committee on Finance of the Senate stating that he does not approve the proposed modification in tariff treatment, his reasons for withholding his approval, and what, if any, modification of existing tariff treatment he proposes to proclaim in lieu of that recommended by the Commission, and within sixty days thereafter either House of Congress by resolution adopted by the yeas and nays by a majority vote of such House approves the President's proposed modification or retention of existing tariff treatment, or

(B) within sixty days following transmittal of the Tariff Commission report either House of Congress, by resolution, adopted as provided in clause (A), determines that the modification in existing tariff treatment

recommended by the Tariff Commission shall not be made effective.

If, pursuant to paragraph (A), the President is authorized to proclaim the modification of tariff treatment proposed by him, he shall immediately make the proclamation so authorized.

For purposes of clauses (A) and (B), in the computation of the sixty-day periods for congressional action there shall be excluded the days on which either House is not in session because of an adjournment of more than three days to a day certain or an adjournment of the Congress sine die.

(e) The appropriate base period referred to in subsection (c) shall be the period of three consecutive years during the ten years preceding the year in which the report of an investigation is made in which the ratio of imports of the product subject to investigation to domestic consumption of such product and like or directly competitive domestic products was the lowest: *Provided*, That any year or years at the commencement of such ten-year period, not to exceed four years, in which there were no imports of such product shall be excluded: *And provided further*, That the Commission may exclude from the base period not more than two years if it finds with respect to each year excluded that the volume of imports of the foreign product, the volume of sales of like or directly competitive domestic products or the volume of domestic consumption of such products was so substantially increased or decreased by specified abnormal factors of a nonrecurring nature that the inclusion of such year in the base period would be grossly unfair.

(f) (1) As used in this Act the terms "domestic industry producing like or directly competitive products" and "domestic industry producing like or directly competitive articles" mean that portion or subdivision of the producing organizations manufacturing, assembling, processing, extracting, growing, or otherwise producing like or directly competitive products or articles in commercial quantities. In applying the preceding sentence the Commission shall distinguish or separate the operations of the producing organizations involving the like or directly competitive products or articles referred to in such sentence from the operations of such organizations involving other products or articles, using to the extent necessary for such purpose reasonable estimates and assumptions. The Commission may also consider as such a domestic industry for the purposes of this Act a segment of an industry situated in a geographical area within the United States if the injurious effect of the imported article is confined to the segment of such industry in such area.

(2) There shall be deemed to be a "threat of injury" or "threatened injury" within the meaning of this Act if there is a reasonable probability of injury, even though such injury is not so imminent as to be almost certain to occur.

(g) The provisions of this section shall apply to investigations for which request or application is made after the effective date of this Act, and to investigations heretofore commenced under section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1364), in which hearings before the Commission have not been completed on the effective date of this Act. In any investigation pending at the effective date of this Act to which this section becomes applicable, the Commission shall permit such amendments to the application and provide such opportunity to produce further evidence and be heard as may be appropriate in view of the applicability of this section. The time for completing the Commission's report in any such proceeding shall be extended for such period, not exceeding three months, as the Commission shall find to be necessary.

SEC. 8. ORGANIZATION OF THE TARIFF COMMISSION—EFFECT OF EQUALLY DIVIDED VOTE.—Paragraph 1 of subsection (d) of section 330 of the Tariff Act of 1930, as amended (19 U.S.C. 1330), is amended to read as follows:

"(d) (1) Whenever, in any case calling for findings of the Commission in connection with any authority conferred upon the President by law to make changes in import restrictions, a majority of the Commissioners voting are unable to agree upon findings or recommendations, the findings (and recommendations, if any) unanimously agreed upon by one-half of the number of Commissioners voting may be considered by the President as the findings and recommendations of the Commission: *Provided*, That if the Commissioners voting are divided into two equal groups each of which is unanimously agreed upon findings (and recommendations, if any), the President shall consider as the findings (and recommendations, if any) of the Commission the findings (and recommendations, if any) which provide the basis for or recommend greater relief to the domestic industry or industries involved. In any case of a divided vote referred to in this paragraph the Commission shall transmit to the President the findings (and recommendations, if any) of each group within the Commission with respect to the matter in question."

SEC. 9. INVESTIGATIONS AND RECOMMENDATIONS BY THE TARIFF COMMISSION.—Subsection (g) of section 332 of the Tariff Act of 1930, as amended (19 U.S.C. 1332), is hereby amended to read as follows:

"The commission shall put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at its command, and shall report to Congress on the first Monday of December of each year a statement of the methods adopted and all expenses incurred, and a summary of all reports made during the year. The commission shall make such investigations and reports as may be requested by the President or by either of said committees or by either branch of the Congress, including the recommendations or views of the commission or its members on appropriate modification of duties and other import restrictions and other matters of customs and tariff policy, either general or specific, as may be specified in the request for the investigation or report."

WNEW PERFORMS ANOTHER PUBLIC SERVICE

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, I wish to compliment WNEW of New York for presenting on September 1 a special radio program called "Disarmament Profile." I particularly want to compliment Lee Hanna, the producer of this show, for presenting a well-balanced, compassionate documentary about this crucial problem.

The program presented the background and the compelling necessity of disarmament negotiations. The "Disarmament Profile" included taped reports from Bernard Baruch, Prime Minister Nehru, Ambassador Wadsworth, and Disarmament Adviser John McCloy. The WNEW documentary also included

Soviet radio broadcasts and speeches of Khrushchev in an effort to present both sides of the question.

At a time when there are many who are discouraged, disillusioned, and disappointed with disarmament negotiations, it is worth repeating the last comment on the program as a sober reminder of the stakes involved in this issue:

The United States has made a final, honest effort to reach agreement with the Russians on a test-ban treaty. The Geneva talks have been suspended and the issue will now go to the United Nations beginning in New York September 19, an institution that has had a notable absence of success in trying to stop the arms race. Instead of disarming, instead of turning weapons into plows and using atomic energy for peace, the world is rearming. Unless wisdom can prevail, the ultimate result is bound to be war—and this war might very well be the last.

AMENDING THE INTERNAL REVENUE CODE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. FOUNTAIN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, I have today introduced, for consideration at the next session of Congress beginning in January 1962, a bill to implement a recommendation of the Advisory Commission on Intergovernmental Relations that the Internal Revenue Service be authorized to perform statistical and other services for State governments on a reimbursement basis.

The proposed legislation provides for the retention by the Internal Revenue Service of moneys received in payment for special statistical studies and compilations and certain other services. It would amend the Internal Revenue Code by adding a new section 7515 entitled "Special Statistical Studies, Compilations, and Other Services on Request," and by adding new subsections (c) and (d) to section 7809, relating to deposit of collections.

Requests received from State officials and other responsible persons and organizations outside the Federal Government for special statistical tabulations and studies have been denied because the Service would not be able to utilize the payments made for such requested work. The purpose of the proposed legislation is to provide exceptions to the general rule in section 7809(a) of the code which requires that collections of whatever nature received or collected by authority of any internal revenue law shall be paid daily into the Treasury of the United States as internal revenue collections without any abatement or deduction on account of salary, compensation, fees, costs, charges, expenses, or claims of any description.

Proposed subsection (c) of section 7809 provides that any fees received pursuant to subsection (a)(3) of section 6103, relating to publicity of returns and lists

of taxpayers, shall be deposited in a separate account from which reimbursement may be made to the appropriations which bore the expenses in connection with the services rendered. The proposed legislation would make no change in existing law relating to publicity of returns or in respect of the amount of the fees for furnishing copies of returns or related services.

Proposed subsection (d) of section 7809 provides that all moneys received in payment for work or services performed pursuant to section 7515 shall be deposited in a separate account which may be used to reimburse appropriations which bore all or part of such costs, or to refund excess sums when necessary.

Although proposed subsections (c) and (d) provide exceptions to the general rule contained in section 7809(a), such subsections expressly restrict the use of the funds to which they have application to the purposes prescribed therein.

The primary purposes of proposed section 7515 are to identify the source of the moneys in respect of which proposed subsection (d) of section 7809 would have application, and to provide that the special statistical studies and compilations would be made at costs. Proposed section 7515, in carrying out its primary purposes, would expressly authorize the Secretary or his delegate, within his discretion, to perform special statistical studies and compilations upon the written request of "any person, any State, or any political subdivision thereof, or any instrumentality of either of the foregoing, or any department or agency of the Federal Government." The special studies and compilations would be prepared from data obtained from returns, declarations, statements, or other documents required by the Code or regulations thereunder or from the records established or maintained in connection with the administration and enforcement of internal revenue laws. The proposed section also provides that any such statistical project may be carried on jointly with the party requesting such project, and that transcripts of such special studies and compilations may be furnished to any party enumerated in the section. However, the section expressly provides that the studies and compilations shall be undertaken, and the transcripts shall be furnished, only upon payment, by the party or parties making the request, of the cost of the work or services performed for such party or parties.

As previously indicated, the determination of whether a particular study and compilation would be undertaken would be within the discretion of the Secretary or his delegate. However, any such study and compilation would be subject to all existing provisions of law and regulations relating to unauthorized disclosure of information. Special studies and compilations would be scheduled so as to supplement the work performed in the service centers during their offpeak periods.

The proposed legislation is neither new nor novel in character. Similar authority in respect of the retention and use

of moneys received for work or services rendered has heretofore been granted to the Bureau of the Census—13 U.S.C. 8—the Department of Labor—29 U.S.C. 9, 9a—and the Department of Health, Education, and Welfare—42 U.S.C. 1306 (b)

PARLIAMENTARY INQUIRY

Mr. AVERY. Mr. Speaker, would it be in order to inquire if the Chair is able to advise the Members at this time of what they might anticipate as the program for the rest of the day?

The SPEAKER pro tempore. The Chair may say that after the special orders it is the intention to stand in recess until later in the day. The Chair wishes he could give more information than that but it is impossible at this time.

Mr. AVERY. I appreciate the information.

PRINTING OF COMMITTEE ACTIVITY REPORTS

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, with reference to the printing of committee activity reports for the session, as vice chairman of the Joint Committee on Printing, I wish to remind the chairmen of all committees that the Joint Committee on Printing has very properly ruled that the printing of such reports, both as committee prints and in the RECORD, is duplication, the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the RECORD, since the Government Printing Office will be directed not to print them both ways.

THE NEED FOR ENACTMENT OF FEDERAL AID HIGHWAY REFORM ACT OF 1961—THE FLORIDA RECORD—(PART II)

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, this is a continuation of a documentation of the need for enactment of H.R. 9353 or similar reforms in our highway program. (A copy of the bill will be found at the close of the remarks.)

The Special House Subcommittee on the Federal-Aid Highway Program, of which I am the ranking Republican member, held public hearings in December of 1960 and in March of this year, involving my own State of Florida.

The December hearings disclosed that over the years certain construction companies under contract to build roads for the State have made regular, secret payments in cash and other things of value to about 20 State engineers who were then under a duty to supervise the contractors' compliance with the specifications in the contracts. The hearings in March revealed equally reprehensible practices in connection with the State's disposition of assets belonging to the taxpayers on the rights-of-way. The record clearly evidences a serious breakdown in both private and public morality, callous disregard for the public interest, lax law enforcement, and official waste and blunders which have added untold millions of dollars onto the Federal-aid highway program and therefore onto the already weary backs of the taxpayers of both the State and Nation.

I. THE "PAYOLA" HEARINGS

The chairman of the subcommittee summed up the evidence and the sentiment of many members, myself included, when, at the conclusion of the December hearings, he observed that—page 446:

The Chair has a concluding statement to read. During 6 days of hearings the members of this subcommittee have listened to testimony with most disturbing implications.

We have seen spread on the record before this subcommittee the admission that many Florida State Road Department engineers accepted thousands of dollars, in one form or another, from contractors whose work they were supposed to be supervising.

These contractors have admitted that they paid out this money, either through the devious method of sending specified weekly sums in unmarked envelopes through the mail, or by making loans they had good reason to believe would never be repaid, or by the purchase of a wide variety of items which later were given to State personnel.

This subcommittee has been told that these practices have been prevalent for years, and one contractor testified that such practices have snowballed from what they used to be.

The State road department employees who received this money insisted uniformly that the tender by the contractors, and the acceptance by them, in no way influenced their judgment in the conduct of their daily duties.

The various contractors who testified here maintained uniformly that the disbursements in this fashion were not for the purpose of inducing State employees to approve substandard construction but were intended, instead, to expedite the progress of the work.

The Chair finds it difficult in the light of all the testimony to believe that the conditions prevailed without involvement of a quid pro quo, whatever its nature might have been.

As the Chair observed during the course of the hearings, the relationship shown to have existed between the State employees and the contractors appears to be rooted in a gray area, and is susceptible of several interpretations.

One interpretation suggests that some State employees came perilously close to the possibility of extortion. Still another interpretation which the record might well sustain is the possibility that the contractors may have approached the stage of bribery or attempted bribery.

Viewed in the most charitable light, the testimony readily supports the conclusion that the gratuities, no matter what form they might have assumed, put the State em-

ployees definitely under obligation to the contractors. Conversely, any demand by the State employees for money, either as a gift or loan, placed a contractor in the position of being reluctant to refuse for fear that such refusal would promote complications during the progress of the project.

Various members of the subcommittee, including the Chair, during the course of the hearings, have expressed the opinion for the record that these practices are reprehensible, that they cannot be condoned, and that they must be stopped.

When these practices were first exposed by a State legislative committee, the State roads department discharged the guilty employees and suspended the contractors from bidding on further State contracts. However, this action was forthcoming only because of embarrassing publicity and aroused public opinion, not because of any fundamental question of ethics and morality. In fact, this misconduct was later condoned on March 11, 1961, when Governor Bryant reinstated or offered to reinstate 14 of the employees, and lifted the suspension of the contractors. Our record shows that one contractor alone had made 580 separate payments totaling \$23,325, from January 1957 to October 1960, to 16 supervisory officials of the State (hearings on December 8, 1960, p. 316).

It is also an interesting fact that since January 1, 1956, one of the principal offending contractors has been awarded \$26,249,271.80 prime contracts with Florida and, according to a report in the Tampa Tribune on October 28, 1960, supported the Governor with both money and manpower. It is further reported that, over the years, Florida road contractors have become politically powerful through generous political contributions, estimated to be \$100,000 in a Governor's race with strong candidates; and that Collins spent more than \$300,000 on his successful 1956 Democratic primary campaign, while Carlton and Bryant spent about \$700,000 last year. Financing elections out of Federal and State funds is a favorite gimmick of the political pork barrelers who always make a beeline for the public works trough.

FLORIDA POLITICS—CAMPAIGN CONTRIBUTIONS BOLSTER STRENGTH OF ROAD CONTRACTORS

(By Martin Waldron)

Road contractors in Florida in the past dozen years have become politically powerful—mainly through campaign donations.

In each Governor's election, they pour tens of thousands of dollars into the campaign.

Cone Brothers Contracting Co. of Tampa, currently under hot fire from the State road department and the legislature's roads committee, has been a minor contributor to political races. The company itself hasn't, but the people who own it have. In the Democratic primary earlier this year, they backed Governor-nominee Farris Bryant.

However, their donations were quite modest, about \$1,000, as compared to some of the sums contractors usually can be counted on for.

The owners of Brinson-Allen Construction Co., another Tampa concern, poured many thousands into the unsuccessful campaign of Senator Doyle Carlton, Jr., who ran against Bryant.

Another ready political contributor has been Herbert Wolfe, of St. Augustine.

No one has made a complete check as to how much money contractors can be counted

on for in an election, but it easily would run to \$100,000 in a Governor's race with several strong candidates.

COLLINS WOULD LIMIT CONTRIBUTORS

Gov. LeRoy Collins, who had some road contractor support in his races for Governor in 1954 and 1956, said at a press conference this week that it might be a good idea to prohibit campaign contributions from anyone doing substantial business with the State.

Not just road contractors, but including them, Collins said.

The Governor, who apparently has retired from active politics, said he hadn't thought the idea through, but offhand would think it had considerable merit.

"We have come to be spending entirely too much in our political campaigns in Florida," Collins said. "We spent too much in my own, and a great deal more was spent in those that have occurred since then."

Collins spent something over \$300,000 in 1956 when he won the Democratic nomination in the first primary.

In the Democratic primary this year, both Carlton and Bryant spent about \$700,000.

"Payola" is a charitable way to describe these payoffs to the State employees. They are payoffs and, in my opinion, violate the criminal laws of Florida. Whether or not they were corruptly given or received, they constitute unauthorized compensation paid to State officials to do or not to do their duty—see section 838.06 of the Florida statutes. The attorney general has so ruled. But thus far only a few of the employees have been indicted, only then after publicity built the necessary fire and to date these cases have been set aside by the lower court.

However, it is a travesty that the statute does not extend to the bribe-givers as well as to those who take them. The guilt of the payor is no less clear and no less offensive. Accordingly, the State legislature should speedily close this loophole which it refused to do in the 1961 session after these facts became known by making it a crime for anyone to give or offer to give such tainted money.

II. THE MARCH HEARINGS

This series of hearings examined the practices and procedures followed by Florida in disposing of assets on rights-of-way, a substantial cost factor on Federal-aid projects. According to a cost analysis prepared by the Bureau of Public Roads, which forms a part of the record of the subcommittee, Florida leads six other Southern States compared in cost per mile for acquiring both urban and rural rights-of-way. This important document is reproduced below:

EXHIBIT No. 1

OCTOBER 23, 1959.

Interstate right-of-way: Comparison by State of reported total cost per mile.

From: Division engineer.

To: Rex S. Anderson, regional engineer, Atlanta, Ga.

Following is a comparison by State, based on data from the quarterly Interstate right-of-way reports, of the average total cost per mile of right-of-way actually acquired or acquisition accomplished in the period July 1956 to October 1959.

We forward this summary for your review and information, recognizing the comparison is not conclusive due to the possible noncomparability of lands and improve-

ments in instances, and to the fact that ultimate costs of tracts pending in court are indefinite at this writing:

URBAN LOCATION

Cost per mile:	
1. Mississippi.....	\$146,936
2. North Carolina.....	210,300
3. South Carolina.....	221,600
4. Alabama.....	387,542
5. Georgia.....	476,252
6. Tennessee.....	559,673
7. Florida.....	1,546,254

RURAL LOCATION

Cost per mile:	
1. Alabama.....	\$17,447
2. Mississippi.....	22,480
3. South Carolina.....	29,629
4. North Carolina.....	35,120
5. Tennessee.....	63,564
6. Georgia.....	67,355
7. Florida.....	89,216

Comparison of total mileage acquired:	Miles
1. South Carolina.....	264.5
2. Alabama.....	215.0
3. Mississippi.....	207.9
4. North Carolina.....	199.9
5. Tennessee.....	158.62
6. Georgia.....	135.8
7. Florida.....	83.0

It will be noted that the cost per mile for urban location in Florida is more than 10 times higher than Mississippi, the lowest of the other 6 States, and almost 3 times as much as Tennessee, the next highest. Also, as to rural location, the per mile cost in Florida is \$89,216 as compared with \$67,355 in Georgia, the next highest, and \$17,447 in Alabama, the lowest. Florida, on the other hand, has acquired less mileage than any of the other States compared.

I completely agree with the chairman of the subcommittee, who concluded at the conclusion of 7 days of hearings:

There has been testimony that the Federal investment in rights-of-way for the Interstate System already is in excess of \$1.5 billion and this is roughly about 20 percent of what eventually will be spent. In fact, the testimony here indicates very strongly that the total outlay for rights-of-way alone can be expected to run in excess of \$7 billion.

This subcommittee has been concerned here with the lack of measures in the State of Florida to realize as much as possible from the disposition of buildings and other improvements which came into possession of the State as the result of right-of-way acquisition.

The Chair observed when these hearings began that Congress had the right to expect coordinated planning by the States and the U.S. Bureau of Public Roads consistent with sound business principles to insure that there would be proper disposition of these improvements within the framework of reasonable and realistic time schedules. The Chair also said that "prudent business practice dictates that a conscientious effort be made to realize the maximum return possible" from the disposition of these improvements as an appreciable offset to the complete expense.

The testimony we have received here gives rise to highly disturbing and, in many aspects, shocking and grave implications.

The evidence appears overwhelming that there was a sustained and, in all too many respects, shameful disregard for the public interest and the proper protection and conservation of public funds.

The record before us, it seems to me, fully supports a conclusion that the negligence exposed is traceable directly to top level policy for acceleration of highway construction in terms that could only serve

to breed operations under "crash program" conditions which commonly are attended by mismanagement and waste.

Congress never intended, when it authorized the building of the Interstate System and the 90-percent Federal contribution toward the total cost, that there should be any departure from the accepted principles of roadbuilding or full value to the highway users for every dollar spent.

Florida was in the forefront of those States which believed that early development of the urban portions of the Interstate System was of utmost importance. The Chair is of the opinion that this was a laudable objective, particularly in the light of the testimony that, while urban construction represented only about 10 percent of the 1,141 miles of Interstate within Florida, it was expected to carry 50 percent of the anticipated traffic. The Chair believes it was cogent reasoning to expect that delay in right-of-way acquisition for the urban portions of the system might see these costs eventually doubled or tripled.

But the beneficial effect of this otherwise sound thinking has been, to a large degree, vitiated by the evidence of mismanagement and waste.

The record before us permits indulgence only in the subtle distinction of the difference between what is too little and what is not enough.

The testimony clearly shows there was not enough leadtime to allow for orderly acquisition of properties, the disposition thereof, and the clearance of the right-of-way in the manner which would allow the contractor to perform expeditiously and satisfactorily.

There is ample testimony in the record before us that is indicative of: Too little time for proper negotiations with the affected property owners; too little acquisition before acceptance of bids and the awarding of contracts; too little protection against vandalism; too little time for orderly disposition, either by sale or salvage, of the buildings and improvements the State has taken over; too little time for the removal of buildings; too little recognition of the potential for recovery; and too little attention to the mandates in both Federal and State procedures which clearly were not followed.

We have dealt in these hearings with a situation where there has been a dissipation of an asset value running into considerable sums of money. Projecting the Florida experience into a national situation where some 500,000 to 600,000 parcels still remain to be acquired, and a great many of these in urban sections, the implications are ominous unless immediate and affirmative action is taken to plug a leak which will literally drain away hundreds of millions of dollars that otherwise should go into highway construction.

The Chair accordingly puts the Bureau of Public Roads and the States on notice that this subcommittee, which reports to Congress, expects such action will be taken forthwith.

That concludes the statement.

Mr. CRAMER. Mr. Chairman, I have a few comments I would like to make.

Mr. BLATNIK. Mr. CRAMER.

Mr. CRAMER. At the outset I, too, would like to join in the commendation of the staff. They have done a very exemplary job and I have had the privilege of not only working with them during the hearings, but of discussing some matters at the time they made a number of visits to Florida. I think they have done a very fine job and I wish to join the chairman in his commendation of them, and the fine work they have done, just as they have done in other hearings which we have previously held.

Also, I would like to join in many of the remarks made by the chairman. As a representative of the State of Florida, I am interested in some broader implications as

well, as they relate to other highway matters which were brought to the attention of this subcommittee.

I think it is very clear that the practices and procedures followed by the State of Florida with regard to the disposition of assets on the rights-of-way leave much to be desired. I think it is equally clear that, inasmuch as the Federal Government participates to the extent of 90 percent on these interstate projects, the American taxpayers are not getting their full dollar's worth of value for every tax dollar expended. While there are a number of reasons, I will cite some of the most obvious.

Many of these assets are worth considerable amounts of money which should be reflected in the bids by the prime contractors. But time after time these contractors have stated that they were afraid a minus bid on these items would result in a disqualification of their bids.

This has been disputed by several of the representatives of the State of Florida who have said that minus bids had never been submitted by the prime contractors, and have suggested that if such bids had been made they would have been accepted.

But it's very strange to me that this matter has not been made the subject of the precise regulations which would instruct contractors that they could submit minus bids, and, in effect, pay the State for the true value of these improvements. The chief counsel of the board of road commissioners stated that he would use his influence to see that this is done and I shall await with interest this long-needed reform. Again, I must express my utter amazement that this has not been done years ago.

I think another prime cause of this loss of value to the State, and, therefore, to the Federal Government, is to be found in what I have called the hydraheaded property management division which was formed to handle this problem in an expeditious and efficient manner. Here we have a situation where this agency has three heads, none of which knows what the other is doing. I simply cannot comprehend why the State of Florida has not put all of the right-of-way in charge of a single responsible head. According to the record, such a reform has been repeatedly requested and recommended by the State highway attorney and the Bureau of Public Roads.

Speaking for myself, at least, I am persuaded that the planning and execution thereof, as it relates to the Interstate System, lack continuity and long-range planning because it has become snarled by politics and changes in the makeup of the board of road commissioners. Apparently with each change in its membership there is a change in policy and emphasis.

Now, let me comment on some of the specific practices disclosed here. In the case of Doifi it is clear that he was using his influence with contractors under his supervision to obtain "payola" in the form of improvements for his own use at less than the value the contractors themselves placed on these improvements. Under these circumstances, I think it is very difficult for a contractor to say "No." Doifi was engaged in an obvious conflict of interest, and I think that he came very near to violating the Florida statute. Moreover, he admitted that he was not candid when he testified before the Kelly committee about these transactions, and stated in effect that he would like to get out of the mess he found himself in. This, I submit, he did.

I am greatly disturbed at the prospect of such a man being rehired by the State of Florida and placed in a position of trust. I do not know how anyone could have confidence in him. And, I am greatly disturbed that the present chairman of the roads board has stated, according to Doifi, that the question of his reinstatement would be decided

after this present series of hearings is concluded.

And, in the case of the two city commissioners, their conduct, while not unlawful, is open to questions. These city commissioners were doing business with a contractor who did business with the city under their jurisdiction of public works. You will recall that one of these two gentlemen was able to bid successfully sight unseen with the prime contractor for the 135 improvements, and in at least 1 case, 1 of them got a promise even before the prime contractor had submitted the bid. Here again it would be hard for a prime contractor doing business with the city to say "No," with the city commissioners making demands. This activity may not be illegal—it probably isn't—but it obviously is an unwholesome practice.

The evidence also has been that the new Florida roads board has considered changing the route of the extension of the Sunshine State Parkway, presently planned through Jacksonville as a toll road north of its present terminus at Fort Pierce. Discussions are now underway relative to rerouting the parkway from Orlando through Ocala and Gainesville, connecting with Interstate System 75. The possibility of constructing an 85-mile section along No. 75 as a toll road, rather than using Interstate funds, is in the planning stages, according to the Bureau of Public Roads' division engineer, Peterson. This necessarily introduces uncertainties into the future construction schedule of No. 75, as well as the turnpike which accentuates the already prevalent lack of advanced planning and procedures for awarding construction contracts in Florida.

Peterson testified that it would result in a possible loss of Federal funds allocable to these 85 miles eliminated from the Interstate System, a loss estimated to be about \$50 million; and also might change the scheduling of Interstate 95 from Fort Pierce to Daytona Beach.

In conclusion, I am not happy with what is happening in Florida. These practices are wrong in some instances, slipshod in others, and, I think, are adding perhaps hundreds of thousands of dollars—if not millions—to the cost of the Interstate System and onto the taxpayers' backs.

Mr. Chairman, I suggest and I am hopeful that these hearings will result not only in the State of Florida, but in other States where similar practices exist, in assistance in bringing about corrective measures. As I see it, that is the broad result, and it is the purpose and the hope we have on this committee, that other States having similar problems will make use of these hearings and that out of these hearings, and perhaps particularly out of testimony such as Mr. Balfour's, they will find a way of plugging some of these loopholes in the future.

III. DUVAL ENGINEERING AND CONTRACTING CO. FROM JACKSONVILLE, FLA.

Our subcommittee is at present conducting an investigation of the Duval Co. which will probably result in a public hearing early in the next session of Congress. As I have noted in several speeches on the floor of the House, this company and some of its top management have earned a very bad reputation in Florida because there is evidence that over the years they have systematically defrauded both the State of Florida and the Federal Government by shortloading on asphalt. Two of this company's supervisors were convicted in Federal court early this year of defrauding the Navy, and investigations by both the State roads board and the State legislative committee have demonstrated that this shortloading has occurred on State high-

way projects, some of which have been Federal aid projects. In addition to our own investigation, this company is now under investigation by the Department of Justice, the Department of the Navy, and the Army Corps of Engineers. Furthermore, there is a civil suit for damages and fraud penalties now pending in Federal court, growing out of the fraud perpetrated on the Navy.

Following the hearings before the State legislative committee, which showed that the Duval Co. had bribed State highway officials and shortloaded on asphalt delivered to State highway projects, the State roads board suspended this company from the list of eligible bidders. The State roads board conducted its own investigation which resulted in a written report dated May 1, 1961.

I have a copy of this report and other available evidence shows that the old Duval Co. has been systematically short loading on asphalt delivered to local, State, and Federal projects over a period of 10 years. Recently, the Duval Co. was sold and, upon making restitution to the State of \$17,285 for overcharges, the Governor and his State road board, over my objection, reinstated the Duval Co. "just to clear the record." This restitution of a token amount does not clear the record at all. Admittedly, this overcharge related to only three projects in the year 1957, while the record shows that this company has short loaded on at least nine identified projects over a period of 10 years. This fact is shown by the State road board's own investigation and indeed when the old company was suspended from the bid list, the State road board chairman announced publicly that his investigation had disclosed that the practice of short loading was "systematic, deliberate, and intentional on State jobs over a period of several years."

Both the Governor of Florida and the chairman of the State road board have denied that the chairman made any such statement and have accused me of misstating the facts in an attempt to extricate themselves from an embarrassing situation. If the chairman was misquoted, it was the press, not I, which misquoted him. This quote is taken from the St. Petersburg Times, dated March 22, 1961, and I wish to insert this article entitled "Duval Firm Defrauded State, Phillips Charges," at this point:

DUVAL FIRM DEFRAUDED STATE, PHILLIPS CHARGES

TALLAHASSEE.—State road board chairman, John Phillips, said yesterday he will recommend immediate suspension of Duval Engineering and Contracting Co. of Jacksonville on charges the State has been "deliberately defrauded" by supervisory employees of the firm.

Phillips said he will ask the State road board to take action at its meeting here Thursday to drop the company from the list of eligible bidders on State projects, pending a full investigation.

Phillips said his investigators have been checking allegations of fraudulent conduct by supervisory employees of the firm for a week, with the assistance of the State auditor and the roads committee.

The investigation is not complete in every detail and will be continued, he said, but a

review of what has been turned up "leads to the conclusion that the State has been deliberately defrauded by supervisory employees of this firm."

Two of the company's employees, Phillips said, were convicted in the U.S. district court in Jacksonville, January 26, on a charge of conspiring to defraud the Federal Government on asphalt-concrete deliveries to the Mayport Naval Base.

Phillips said evidence at the trial showed conclusively that many trucks of asphalt were loaded with only 14 tons, whereas the Government was charged for a full load of 16 tons.

The Kelly committee said it has evidence that the firm also charged the State for asphalt and other materials not used on highway projects, including the big Jacksonville expressway.

Phillips said the State started its investigation following the Federal trial and found out that this practice of short-loading was "systematic, deliberate, and intentional on State jobs over a period of several years."

The taxpayers of Florida have every right to ask what sort of a deal has been made to reinstate a company under such a cloud of suspicion and which, in fact, presumably does not even exist. This matter was discussed at a press conference held by the Governor on August 17, 1961, and a transcript of that exchange makes interesting reading. I quote relevant portions of it below:

PARR. On the general subject of roads, would Mr. CRAMER's recent statements regarding the Duval Engineering & Contracting Co. bring any change in the plans of the road department for reinstatement of that company?

GOVERNOR. Well, of course, I haven't kept up with all of his statements, but none that I know of have made any difference to me.

PARR. Why are they being reinstated? The company, as I understand it, is now out of business and what purpose is served by reinstating a company that has gone out of business and will no longer be bidding?

GOVERNOR. Or you might put the shoe on the other foot. We have got \$17,000 out of them. What harm is being done by reinstating a defunct organization? In other words, I don't see any harm that is being done and we received a settlement of some \$17,000—to me that is good business.

RAKER. Governor, can we go back to Duval for a moment?

GOVERNOR. Of course.

RAKER. Is there any possibility that the sale of that firm and putting it back in business were tied together by the people who bought it? In other words, did they buy Duval contingent upon its being restored to the bid list for the State?

GOVERNOR. No; because Duval will never be bidding with the State, Duval will never do business with the State. Now the company that bought Duval without its officers can do, if it qualified in other respects, business with the State. But Duval itself and its officers will never—never is a long time—for 3½ years, will not do business with the State.

GILLESPIE. Then putting Duval back on the bid list, or reinstating it, will in no way, shape, or form affect this new company?

GOVERNOR. That is correct, none at all.

THURSTON. Am I correct that the Wright Engineering Co. is already established as a qualified bidder?

GOVERNOR. R. H. Wright?

THURSTON. R. H. Wright. Wright-Duval Engineering Co. would be able to go ahead without any further—

GOVERNOR. I have not checked this myself, but I think R. H. Wright is an established bidder. You may recall that they were in trouble in the Dade County area, but by the

time of the investigation they had completely sold out and all their officers gone and new people in. That's my recollection of that particular situation. Now what the status of Wright-Duval is, or the legality is, or what their status is so far as bidding is concerned, I have no idea at the time. I just don't know.

THURSTON. At the present time the officers of both companies are not the officers who were involved in the earlier difficulties?

GOVERNOR. That is my understanding and assurance.

It is to be noted here that the Governor states that the officers of the new company—the Wright-Duval Co.—are not the officers who were involved in the earlier difficulties and yet the letter in possession of the State road department at the time, addressed to the chairman, Mr. John Phillips, and signed by Mr. L. E. Davis on behalf of that company, advised the State that Mr. B. E. Ellis, who was formerly president of Duval Engineering & Contracting Co., continues as president of Duval-Wright Engineering Co. The only other officer of Duval Engineering & Contracting Co. who has been named to official capacity with R. H. Wright, Inc., is Mr. Charles D. Edwards, who has been named as assistant secretary for purposes of executing papers in Jacksonville—Mr. Alexander Brest, who was formerly treasurer of Duval Engineering & Contracting Co. has been retained as a consultant for a period of 5 years under an employment contract.

Upon the purchase of Duval Engineering & Contracting Co. by Houdaille Industries, Inc., the latter's president, Mr. Ralph F. Peo, wrote me advising me of the purchase and I replied as follows:

SEPTEMBER 21, 1961.

MR. RALPH F. PEO,
President, Houdaille Industries, Inc.,
Buffalo, N.Y.

DEAR MR. PEO: I must apologize for the tardy acknowledgment of your letter dated August 18, 1961. The reason for the delay is that your letter was mailed to my Tampa office, which has only recently forwarded it here to me in Washington.

You are undoubtedly aware that I have been pretty critical of the old Duval Co. and its management and have not hesitated to express my views publicly on the floor of the House. I have felt fully justified in doing so and indeed I believe it has been my duty to the citizens and taxpayers of the State of Florida whom I am privileged to represent in Congress.

The old Duval Co. and some of its top management have earned a very bad reputation in Florida because of the fact that the evidence has demonstrated a perniciousness over the years to shortchange both the State of Florida and the Federal Government by short loading on asphalt. Two of this company's supervisors were convicted in Federal court of defrauding the Navy at Mayport and investigations by both the State roads board and the State legislative committee have demonstrated that this short loading has occurred over the years on State highway projects, some of which have been Federal-aid projects. At present, the old Duval Co. and Mr. Alex Brest are under investigation by the Special House Subcommittee on the Federal-Aid Highway Program, of which I am ranking minority member, by the Department of Justice, the Department of the Navy, and the Army Corps of Engineers. Moreover, there is a civil suit for damages and fraud penalties now pending in Federal court, growing out of the fraud perpetrated on the Federal Gov-

ernment at the Mayport base. Fairly recently Mr. Brest admitted that the company had overcharged the State of Florida more than \$17,000 and made restitution. All in all, this record hardly commends itself as one to inspire trust or confidence.

I know nothing of your company, which has purchased the assets of the old Duval Co., but by public reputation it is a very good one indeed. However, I will be less than candid if I did not tell you that I am concerned when I read in the press that the new Duval-Wright Co. is retaining the same personnel, including Mr. Brest, and I have heard that the latter may be named secretary-treasurer and will be a director of the parent corporation, R. H. Wright & Sons, Co., of Fort Lauderdale. This may only be a rumor but I would appreciate your confirming or denying it. It would also be of great benefit to our subcommittee if you would be so kind as to advise me on the exact details of your contract for the services of Mr. Brest and the conditions under which you purchased the old Duval Co. If you see fit to do so, it would be most helpful if you would send me copies of these contracts, which I will then turn over to the staff of our subcommittee which is now preparing the Duval matter for public hearings sometime this fall.

I agree with and appreciate your complimentary remarks about my State of Florida and its bright business prospects for the future. I sincerely hope and trust that your confidence in the State will not be misplaced and that your operations there will be mutually beneficial for both your company and the citizens of Florida. I will be most happy to have you visit me in either my Washington or Tampa office and I shall look forward with pleasure to meeting and chatting with you at any time.

Sincerely,

WILLIAM C. CRAMER,
Member of Congress, First District of
Florida.

AUGUST 18, 1961.

HON. WILLIAM C. CRAMER,
Tampa, Fla.

DEAR MR. CRAMER: The contents of this letter may be already known to you, and if so I apologize for asking you to take the time to read it.

Our corporation has made a number of investments in Florida, has recently expanded those investments and we have in mind yet further industrial expansion if the atmosphere is friendly and conducive to normal profits which we must have for our shareholders before we spend our money.

Some 2 years ago we purchased the R. H. Wright & Son Co. assets in Fort Lauderdale and organized a company to continue and expand that business called R. H. Wright, Inc. Although Florida's economic climate has been very bad for the last 8 or 10 months and as a result we have taken very material losses, we are continuing to push that company and feel sure that it will be successful. Without the financial resources Houdaille was able to supply, and has supplied, this company might not have survived. We have faith in Florida's future and have backed our faith with our money to take over those assets.

Very recently, a month ago, we bought the assets of the Duval Engineering & Contracting Co. in Jacksonville and have established a new company, the Duval-Wright Engineering Co., a division of our Fort Lauderdale corporation, to manage and operate that company. We are convinced that under the new ownership Duval-Wright can render a very real public service in the area of its operations and earn and deserve public recognition of that service. One of my sound and experienced associates is there helping to get that program underway.

Of course, with all of the Florida operations (some eight to date) I have kept in

touch with the newspapers and have been interested in the constructive program that you have been driving on in that State. I surmise that has been completed by now and I suspect the results have been good enough so that you feel very satisfied as a result of your efforts.

We hope to have the understanding and cooperation of persons like yourself who are exerting their influence for the long-range welfare of Florida. Our investments there to date are a sufficient indication of our own interest.

I hope it will be my opportunity either in Washington or in Florida to see you but in the meantime I wanted you to know our corporate name as well as my own and to know what we have done and are planning to do.

Very sincerely yours,

RALPH F. PEO.

Some time ago, following our two series of hearings involving Duval and other contractors in Florida who have been engaged in "payola" and other improper practices, I requested the Federal Bureau of Public Roads to advise me of what administrative action the Bureau had taken in view of our hearings. On August 11, 1961, the Federal Highway Administration, Mr. Rex Whitton, sent me a letter which, in material part, is as follows:

FLORIDA

The unauthorized cash payments to Florida Road Department engineers by highway contractors and the actions which have been taken by the State as to the contractors and the employees have been reviewed by Public Roads. As the unauthorized payments were disclosed, the State road board suspended the employees and advised them of their right of appeal under the Florida merit system regulations. The State road board suspended the certificate of qualification of each of the contractors involved in the payments. This was tantamount to a debarment action. Subsequently, some of the suspended employees were returned to duty, by the State road board, generally with a reduction in rank and salary. Those who were returned to duty were placed in a probationary status for 1 year and were assigned under the close supervision of experienced and dependable supervisors. The State subsequently agreed at the request of this Bureau that none of such employees will be assigned to Federal-aid work.

We have been informed that the contractors, whose certificates of qualification were suspended, petitioned the State road board for reinstatement, and that, after a review of each case, action determined to be appropriate was taken by the State road board.

Pending completion of tests and examination of the projects involved, sufficient moneys have been withheld to assure there will be no loss of Federal funds. Also, Public Roads concurrence in awards of contracts to these contractors was withheld for varying periods.

The attorney general of Florida did advise it was his view that the acceptance of cash payments by a State road department engineer from a highway contractor, whose performance under a construction contract with the State road department is under the supervision of the engineer, would be construed by a court of competent jurisdiction as being sufficient to come within the prohibition of Florida Statutes 838.06 and 836.07.

In April 1961, a Hillsborough County grand jury received testimony from about 30 witnesses relative to highway contractors making cash payments to State engineers. Indictments were filed charging five former State road department engineers with receiving cash from a contractor, in violation

of the statute (838.06). No indictments charging the contractors were returned by the grand jury. In an interim report, the grand jury stated in part:

"We find that there has existed a practice of road contractors giving gifts, money, and other things of value to State road department personnel who were charged with the duties of supervising the construction of Public Roads' projects.

"We strongly condemn this practice and regret that this reprehensible conduct is not prohibited by existing State law, therefore we recommend as follows:

"That the legislature enact a law making it unlawful for any person to give or pay to any public officer, agent, servant or employee any reward, compensation or other remuneration other than those provided by law."

Your question regarding action taken by the Senate and Public Roads to bar contractors who make such payments to State employees from the award of future Federal-aid contracts in Florida or any other State, has been answered, in part, above. Pending completion of investigations by the State and by Public Roads, the State was advised that Public Roads would not concur in awards to the contractors involved. Subsequent to completion of tests and the reinstatement of the contractors by the State, we advised the State that Public Roads would concur in awards to these contractors. At the present time the contractors are engaged in work on Federal-aid projects and will be permitted to bid on future projects under procedures and requirements designed to protect fully the Federal interests.

The Department of Justice is currently considering the allegations concerning the contractors and State engineers in the Tampa area.

In our letter dated April 25, 1961, to you, we identified 15 Federal-aid projects for which Duval Engineering & Construction Co. had furnished asphaltic or other bituminous materials. Final payments had not been made on 11 of these contracts. On May 9, 1961, the chairman, State road board, was notified that pending completion of investigation by the State road department and full review of the findings by Public Roads no further payments would be made on the 11 projects. Subsequently, it was ascertained that Duval Engineering & Construction Co. held subcontracts on 3 additional Federal-aid projects, but had supplied material on only one of them (I-10-5(9) 344). By letter dated June 20, 1961, the chairman, State road board, was advised that Federal funds would be withheld on the one project, and if the Duval Co. performed work on the other two projects (I-10-5(12)336 and I-10-5(10)341), Federal funds would be withheld from these projects.

Investigators assigned to the State road board interviewed witnesses and inquired into the allegations concerning Duval Engineering & Construction Co. The report of this investigation has been furnished to us. Records of the Duval Co. and other data obtained during this investigation were furnished to the technical staff of the State road department for analysis and determination of quantities and quality of materials furnished to Federal-aid projects. Tests and measurements of the projects will be made to the extent determined to be necessary to assure that each project was in substantial compliance with the plans and specifications of the contracts. The review and evaluation of the information developed is in process, but has not been completed.

IV. RECOMMENDATIONS

The highway program has long been a political football in the one-party State of Florida where the Democratic primary

for Governor is tantamount to election. Every 4 years, this primary resembles a public auction as the various candidates attempt to outbid each other with extravagant promises of highway millenniums and a grab bag of other public works goodies—paid for by the taxpayers, of course. The big road contractors, suppliers, and other assorted "interests" join in the fray with hosannas for their favorites and generous political contributions—strategically placed on all, as a hedge. And when the victor has been safely installed in the Governor's mansion, one of his first chores is to settle a stack of political I O U's which the "interests" soon present for payment. Some of these tabs are called in by choice appointments to the Florida State Roads Board, which controls and dominates the politically responsive State road department.

The new administration, including the political roads board, then proceeds to redeem the Governor's campaign promises by a record of furious highway construction, the most visual proof of "progress." The immediate victim is the public as the planning, if any, of the last administration is repudiated and highly technical, engineering decisions are made, not by competent, professional personnel in the road department, but by incompetent politicians. This road to "progress" is paved with a long succession of "goofs" and blunders which have cost the taxpayers dearly. A few examples taken from the record will demonstrate the point:

First. Although, under an amendment to section 108 of the Highway Act of 1956, which I sponsored, right-of-way can be acquired 7 years in advance of construction, the past administrations have ignored this opportunity for sane, long-range planning which would permit adequate time between acquisition and construction and therefore time for the State to realize the fair market value of the valuable assets belonging to the public. Instead, "crash" construction programs have been instituted with the result that the State regards these assets as "nuisances" and even pays the prime contractor to take them. These valuable improvements are then, as our hearings demonstrate, reaped as windfall profits by speculators or used by the prime contractors as payola to grease the palms of such public officials as city commissioners and Dolphi, a State supervisory engineer. It is estimated that this "progress" has cost the taxpayers hundreds of thousands of dollars, maybe millions.

Second. From May 17, 1957, to October 23, 1958, the Collins administration paid fees totaling \$6,456,101 to engineering consultant firms for designing work estimated to cost \$192,869,260 which would be for some projects 6 years in advance of available construction funds. In the opinion of the Bureau of Public Roads, the Florida highway staff was then adequate to do most of this work. Nonetheless, this \$6.4 million was hurriedly spent and ultimately a good portion was wasted when the present administration, under Governor Bryant, largely modified the planning of his predecessor by shifting emphasis of the

program from the Collins approach of giving urban links priority and by changing plans and locations.

Third. The Florida State Roads Department is the beneficiary of built-in "snafus" which practically guarantee confusion and negate sound, long-range planning. The functional "dis" organizational chart of this department, which includes the properties management division, is right out of a Rube Goldberg cartoon.

The agency of properties management was set up specifically to conserve and dispose of the State's assets on the right-of-way with the conspicuous lack of success which made our hearings necessary. This is small wonder; it can only be described as a "hydra-headed thing," neither of which knows what the other is doing. Instead of the right-of-way function properly being subordinate to engineering, under a single authority, there are three separate divisions of the right-of-way department. The cost of this lack of coordination in acquiring and disposing of assets is reckoned in millions of dollars. This has been somewhat reorganized since our hearings.

Time and space do not permit a complete catalog of what is wrong in Florida. However, the record is clear that a number of reforms are long overdue. Some of the remedies lie in the legislative field, both Federal and State; others require nothing more than a return to honesty and public morality. I, therefore, have introduced H.R. 9353 and on the State level advocate:

First. Politics in the Florida State Road Department must be removed and continuity of both policy and personnel observed. To this end, no more than two of the five members of the Florida State Road Board should be subject to appointment by, and during, any administration and a professional highway administrator free from political pressures and changes of Governors every 4 years should be authorized and employed. The professional staff of the Florida State Road Department, now overworked and underpaid, should be purged of all deadwood and alms takers, set up on realistic pay scales and job designations, then insulated from politics by a merit system with an adequate and realistic pay scale.

Second. The Rube Goldberg Florida State Road Department has been partially reorganized so that all functions, including that of properties management, are coordinated and responsible to a single authority. Other reorganizations at State and district levels are needed.

Recognizing that there is a limit to the funds allocable to acquiring right-of-way, I urge the Florida Legislature to take the next logical step and create a right-of-way protection fund patterned after the one used successfully by California. State funds, such as retirement or veterans' reserves which otherwise lie fallow or draw nominal interest, can thus be effectively used to acquire advance right-of-way in emergencies such as threatened subdivision. This fund is a revolving fund and moneys

spent to acquire right-of-way are later replaced when regular highway funds, including the Federal-aid share, are apportioned.

In the case of California, the State fund, created by the legislature with \$30 million in nonhighway moneys, has permitted the State to acquire right-of-way 5 to 10 years in advance of construction in order to head off costly subdivision and improvements being added to the eventual cost of taking. This has also allowed its property management division to dispose of assets at their fair market values by sale, lease, auction, rehabilitation, and so forth. Since the passage of the 1956 act, the Federal Government has reimbursed California \$193,877,830 for right-of-way, and the State, due to its prudent disposal of assets, has given the Federal Government a credit of \$11 million, a 6 percent return in excess of gross profits above expenses. And California still has the \$30 million fund intact.

Third. The extraordinarily high cost of acquiring right-of-way in Florida is due, in part, to the pernicious practice of permitting the State negotiator to offer the property owner as much as 5 percent above the fair market value determined by the State and the law which allows the court to tax attorneys' fees to the State in condemnation cases. Both are open invitations to litigation and unfair to all the taxpayers which comprise the entire State; both should be abandoned.

Fourth. As I have noted above, it is a violation under the statute already on the books for State employees to take unauthorized compensation and a few have been indicted. The law should be amended to include the giver as well and the receiver and vigorously prosecute against both.

There is a lesson in this record which had better be understood and remembered by those of us who cherish States rights and individual liberty: Government control and individual freedom are inherent enemies. The history of freedom is the history of man's resistance to the bounties and excesses of his own government. And that government must be feared most of all when its purposes are beneficent as Federal aid to highways or what have you.

The specious doctrine of Federal aid as the only answer to many problems is the greatest myth ever bought and paid for by a credulous Nation. We forget that the Federal Government's only source of income is the taxes it extracts from the earnings of the citizen. We forget that it cannot give the citizens anything it has not first taken from them, less the cost of maintaining the bureaucratic planners which comprise it. And with the passage of each new law and the extraction of each new dollar in revenue comes a corresponding diminution in human liberty, for example, the taxpayer's right to spend his own earnings as he pleases.

We must never forget that the power to tax is the power to destroy freedom and once freedom is extracted from the people, it, unlike some of the funds, is almost never returned. These dynamics are well understood by the paternalistic

planners of the "left-liberal establishment" who, in the words of a very wise former Republican President, "have learned to light the magic fires of Federal credit." He remembers, while they forget, that the same flames that warm can also consume the liberties of man.

Whether highways, education, this or that, there can be no Federal aid without Federal control. This can be set down as immutable law. You can believe the Supreme Court when it recently reaffirmed that it goes without saying that the Federal Government can regulate what it subsidizes; and I, as a Member of Congress, when I say that I could not in good conscience vote to spend Federal tax moneys without assurances they will be spent wisely, honestly, and well. Thus I have introduced H.R. 9353 to assure honesty and dollar value in our highway program. Text of bill follows these words.

Let us therefore strip the sackcloth and ashes from the loins of those who propose pious disclaimers in the law that no Federal controls are sought or intended. Let the citizen honestly acknowledge the harsh truth that he cannot have one without the other. When any new grant-in-aid program is proposed, the voter must decide, not whether it includes controls, for it does, but whether the loss of freedom is too dear a price to pay for the benefits. And, where, as here, standards are present, State responsibility must be met to prevent total destruction of States rights not yet surrendered or the sure upshot will be taking over more of those rights and powers—and some Members of Congress during all these hearings have been hinting at federalizing inspections, controls, and administration by duplicating State actions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal-Aid Highway Reform Act of 1961".

SEC. 101. Section 611 of chapter 29 of title 18 of the United States Code is amended to read as follows:

"§ 611. Contributions by firms or individuals contracting with the United States and with the States on Federal-aid highway projects.

"(A) Whoever, entering into any contract with the United States or any department or agency thereof, either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof, or selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, during the period of negotiation for, or performance under such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly makes any contribution of money or any other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(B) Whoever, entering into any contract with any State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, except for a lawful contract

of employment as an employee thereof, either for the rendition of personal or other services or furnishing any material, supplies, or equipment to any State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, if payment for the performance of such contract or payment for such material, supplies, or equipment is to be made in whole or in part from funds appropriated by the Congress for carrying out the provisions of title 23 of the United States Code attributable to Federal-aid highways, during the period of negotiation for, or performance under such contract or furnishing of material, supplies, or equipment, directly or indirectly, knowingly makes any contribution of money or any other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"Whoever knowingly solicits any such contribution from any such person or firm, for any such purpose during any such period—
"shall be fined not more than \$5,000 or imprisoned not more than five years, or both."

SEC. 102. The analysis reference to section 611 at the beginning of chapter 29 of title 18 of the United States Code is amended as follows:

"611. Contributions by firms or individuals contracting with the United States and with the States on Federal-aid highway projects."

TITLE II

SEC. 201. Following chapter 41 of title 18, United States Code, a new chapter will be added as follows:

"Chapter 42—Federal-aid highways

"Sec.

"891. Kickbacks and other unauthorized compensation.

"892. Conflicts of interest.

"§ 891. Kickbacks and other unauthorized compensation.

"Whoever, during the period of negotiation, awarding, or performance of any contract with any State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, except for a lawful contract of employment as an employee thereof, either for the rendition of any personal or other service, or for the sale, furnishing, or rental of any material, supplies, or equipment, or for the selling, taking, or otherwise acquiring of any land or building, if such contract is in connection with any Federal-aid project within the provisions of title 23, United States Code, pays or delivers or offers or agrees to pay or deliver, directly or indirectly, any unauthorized money or anything of value to any officer or employee of such State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, charged with and under a duty of negotiating, awarding, or supervising or passing upon the performance of such contract, or appraising or otherwise determining the value of such land or building; or

"Any such officer or employee who solicits or receives or accepts, or agrees to receive or accept, directly or indirectly, such money or anything of value—

shall be guilty of a misdemeanor and be subjected to a fine of not more than \$10,000 or to imprisonment for not more than one year, or both.

"§ 892. Conflicts of interest.

"No officer or employee of a State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, who is

authorized in his official capacity to negotiate, make, accept, or approve, or to take any part in negotiating, making, accepting, or approving any contract or subcontract in connection with a Federal-aid project within the provisions of title 23, United States Code, shall have, directly or indirectly, any financial or other personal interest in any such contract.

"No engineer, attorney, appraiser, negotiator, inspector, or other person performing services for a State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, in connection with a Federal-aid project within the provisions of title 23, United States Code, shall have, directly or indirectly, a financial or other personal interest, other than his employment or retention by a State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, in any such contract or subcontract in connection with such project.

"No officer or employee or other person retained by a State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, shall have, directly or indirectly, any financial or other interest in any real property acquired for a Federal-aid project within the provisions of title 23, United States Code, unless such interest is openly disclosed upon the public records of the State highway department and of such other governmental instrumentality, and such officer, employee, or person has not participated in such acquisition for and in behalf of the State.

"Whoever willfully violates the provisions of this section shall be subject to a fine of not more than \$10,000 and to imprisonment for not more than one year, or both."

TITLE III

Sec. 301. Section 1020 of chapter 47 of title 18 United States Code is amended to read as follows:

"§ 1020. False statements in connection with highway projects.

"Whoever, being an officer, agent, or employee of the United States, or of any State or territory or political subdivision thereof, or whoever, whether a person, association, firm, or corporation, knowingly makes or causes to be made any false statement, false representation, or false report as to the character, quality, quantity, value, or cost of the material or equipment used or to be used, or the quantity or quality of the work performed or to be performed, or the costs thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction of any highway or related project submitted for approval to the Secretary of Commerce; or

"Whoever knowingly makes or causes to be made any false statement, false representation, false report, or false claim with respect to the character, quality, quantity, value, or cost of any work performed or to be performed, or materials or equipment furnished or to be furnished, or any property acquired, disposed of, or administered or to be acquired, disposed of, or administered, in connection with the construction of any highway or related project approved by the Secretary of Commerce; or

"Whoever knowingly makes or causes to be made any false statement or false representation as to a material fact in any statement, certificate, or report submitted pursuant to the provisions of title 23, United States Code—

"shall be fined not more than \$10,000 or imprisoned not more than five years, or both."

Sec. 302. The analysis reference to section 1020 at the beginning of section 47 of title

18 of the United States Code is amended as follows:

"§ 1020. False statements in connection with highway projects."

CONGRATULATIONS TO MAJORITY LEADER JOHN W. McCORMACK ON HIS HAPPY ANNIVERSARY

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, we congratulate you upon the anniversary of that proud and eventful day in your life when you were first elected as majority leader by your Democratic colleagues of the House. On September 26, 1940, you were chosen for this responsible position as our Nation edged closer and closer toward its inevitable involvement in World War II. You came to this task well prepared by many years of training and experience as a Member.

Although I was a State senator in Massachusetts at the time, it seemed to me that President Roosevelt, seeing the shape of things to come, let it be known that he wanted the legislative skill and vigilance and courage of JOHN McCORMACK for the key position of majority leader. To strengthen our Nation for the crucial test of its principles, its will, and its resources that began less than 15 months later.

Seldom in the history of this House has the floor leader of the majority party been called upon to assume such burdens and with such general confidence in his ability to succeed. Those who placed this trust in him knew that JOHN McCORMACK was never a man to drift with the tide, or to postpone difficult decisions.

With faith in what he believes, and with wholehearted determination to give his best for his country, JOHN McCORMACK pleaded, persuaded, cajoled and led the House to go forward in building the legislative program that has lifted the United States from the end of the depression to its present position of prosperity and power. When others held back in doubt or fear before the challenge, it was JOHN McCORMACK who battled for the ideas and the implementing legislation that would never let the Members forget their obligations as pioneers of our free society.

Our country has been fortunate during the past two decades during which it became the leader of the free world and the hope of mankind that the legislative responsibilities of this House were in the hands of Speaker SAM RAYBURN and Majority Leader McCORMACK.

Thanks to their experience, wisdom, vision, and drive, the U.S. House of Representatives has compiled a record of accomplishment for progress that is one of the most constructive in our Nation's history.

JOHN McCORMACK's career is devoted entirely to his duties as a leader of this

House in which he has such pride and faith.

On the 21st anniversary of the day when he first became majority leader, we pause to praise his distinguished service to the United States and all of its people, and to anticipate the higher recognition and honor that a grateful Nation will confer upon him in the future.

GENERAL LEAVE TO EXTEND

Mr. LANE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and ask unanimous consent that all Members may have the same privilege.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I am very proud today to extend my heartiest congratulations to my distinguished and beloved friend, the gentleman from Massachusetts, Speaker pro tempore and majority leader, JOHN W. McCORMACK, upon the occasion of the 21st anniversary of his leadership in our great House of Representatives. Nothing that I might say could possibly present an adequate portrayal of the contributions of this great American who is a truly eminent statesman of wide renown.

His devoted, effective service of many years is so well known to Members of this House, to the people of his great district, the Nation, and indeed the world, that I feel a sense of real humility that anything I might say concerning the historical, monumental work of this great American would be like carrying coals to Newcastle.

The career of JOHN W. McCORMACK is in truth a great saga of the most progressive, as well as the most troublous and restive of the unprecedented and fabulous era in which we live. JOHN McCORMACK is made of precious stuff. He is endowed with great gifts and priceless talents and by virtue of outstanding ability, lofty character, industry, resourcefulness, and hard, unceasing work, he has risen to the topmost rank in the greatest legislative body in the world and in the public affairs of the Nation.

He has been a great and inspiring leader, responsible for steering through the Congress in war and peace some of the most epochmaking legislation in the long, glorious history of the Nation, the trusted confidant and adviser of Presidents, loyal friend and counselor and invaluable helpmate of our great, illustrious Speaker, the gentleman from Texas, SAM RAYBURN. Unswerving in purpose, vigorous of action, undaunted of spirit, humane of impulse, broad, tolerant, and generous in nature, JOHN McCORMACK has carved for himself an enviable niche in American parliamentary history, and has won the admiration, devotion, and affection of his colleagues and a secure place in the hearts of his fellow Americans.

He has served the House and his country with superb and tireless devotion. He has given of himself, his energies, and his great talents with a willingness, enthusiasm, and unselfish spirit that indelibly mark him as the great patriot that he is.

I am highly privileged indeed to pay him my humble but heartfelt tribute for his many years of service, his outstanding and brilliant leadership, his memorable achievements, and for the humane qualities, persevering loyalty and warm, vibrant friendships that have endeared him to all those who have ever served with him and all those who know him.

There may be many reasons, to be sure, for the memorable achievements and accomplishments of this great American statesman and leader. They are too numerous to mention here. But I would be most remiss if I did not allude to his gracious, charming helpmate, his devoted and beloved wife, Harriet McCormack, who has been not only his constant companion but his most trusted confidant and most valuable adviser.

That there are other and greater honors and public responsibilities in store for JOHN MCCORMACK is obvious, and I wish him and his dear wife, Harriet, many more years of affectionate comradeship, every measure of success and happiness in the future, and an abundance of all those graces which come from the Divine Maker. May they have many very happy returns of this noteworthy day.

Mr. HERLONG. Mr. Speaker, I want to associate myself with my colleagues in congratulating JOHN MCCORMACK on his coming of age as majority leader. Whether or not I can match the eloquence of the tributes which have been tendered to him, I yield to no one in my admiration of him as a statesman and as a man.

During the 13 years that I have been privileged to serve in this House, JOHN MCCORMACK's ability as a leader has commanded my respect, while his uniform kindness and fairness have commanded my personal regard for him.

To his party, to the House of Representatives, and to the Nation, JOHN MCCORMACK has rendered service far and above the call of duty.

I am happy to have this opportunity to express my appreciation for his leadership in the past, and my continued confidence in his leadership in the future in whatever capacity where he may be called upon to serve.

Mr. KEOGH. Mr. Speaker, it is with a feeling of deep personal pleasure that I associate myself with the remarks of the gentleman from Oklahoma and my other colleagues in tribute to our beloved Acting Speaker, JOHN MCCORMACK.

In my opinion JOHN MCCORMACK is the personification of the ideal Member of Congress and leader of his party in this body. He possesses to a most unusually high degree all the qualifications required for his position—and these qualities have long been recognized, in particular, by Members on both sides of the aisle and by officials in the executive branch as well as by the press and the general public. His patriotism of the highest order; his unassailable integrity; his complete devotion to his tasks; and his incomparable gentleness; these have each been noted and have been the subject of the unusual accolades of his fellow Members. To my mind they can all be summed up in one word—a word

that sometimes is used simply as a title, losing its real significance, but that eminently fits and describes JOHN MCCORMACK—"honorable."

He is honorable in every sense of the word. He, by his life, personifies the virtue, and we, by our tributes, accord him the honor that the virtue demands.

Twenty-one years ago it was my privilege to cast my vote for JOHN MCCORMACK as the majority leader in this body, and ever since I have had innumerable occasions to be glad on that account. I venture to say that the recognition accorded to him here today is but a slight semblance of that which will be given to him by history for generations to come when tranquillity is restored to the world and the happenings of the past 21 years can be viewed in calm perspective.

The words of Alexander Pope are peculiarly descriptive of our beloved and respected colleague:

Statesman—

Yet friend of truth; of soul sincere,
In action faithful, and in honor clear,
Who broke no promise,
Serv'd no private end,
Who gain'd no title,
And who lost no friend.

Mr. Speaker, may I join with my colleagues in wishing for JOHN MCCORMACK everything that is good and in hoping that we shall have the good fortune of having him with us for many more years to come.

ADDITIONAL TAX EXEMPTION FOR POLIO VICTIMS

Mr. RANDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANDALL. Mr. Speaker, we recently introduced what we thought was a very worthy bill, H.R. 9160, to provide an additional income tax exemption for a taxpayer or spouse who is a victim of chronic respiratory polio.

A constituent of ours living in Johnson County, Mo., who may prefer to remain anonymous, called the need for this legislation to our attention.

These victims are occupants of iron lungs or their equivalents. Before 1950 few of them survived. Since then, antibiotics and improvements in respiratory equipment have saved most of them and promised longevity.

However, this group needs special consideration, similar to the aid to the blind. They are young, energetic, and healthy but are unable to move. Generally, they must be fed, bathed, dressed, wheeled, or carried. Therefore, they require attendant care.

Their continuing survival involves financial needs. Most of them are young adults; too old for aid to dependent children; too young to have worked long enough to benefit from social security for the disabled; too young to have been drafted and eligible for veteran benefits; not indigent enough to qualify for aid to permanently and totally disabled.

Many are young mothers with two or three children. The children try to help with the cooking and chores and do what they can to care for them, but the children must attend school and they are too young to assume full responsibility. Not many young husbands can afford to hire full-time help, and oftentimes they try to hold two jobs as well as act as attendants in the home. This leaves the victims in constant fear of being trapped by fire or electrical failure and in ever-present dread of choking.

Suggestions have been made that the solution is to separate the family, but a paralyzed mother can still function as a mother, wife, and homemaker—if she has a housekeeper-attendant.

Our correspondent from the Fourth Missouri District is one of these victims being about 35 years of age with two minor children, a son and daughter. She is completely paralyzed except for the use of her right hand. She considers herself fortunate because she can breathe on her own part of the day. Her husband has one full-time job, one part-time job, and does extra work at various odd jobs. He cares for her at night, being up two or three times each night, which while a labor of love, can subtract from his energy to earn the livelihood.

This last summer, our constituent's children did the housework with a neighbor coming in to care for her. With school starting, she can afford only half-day work but that leaves her alone the other half of the day.

The subject of our bill inquired of us as to why the chronic respiratory polios could not enjoy the same extra income tax deduction as provided the blind who can hold jobs and care for themselves.

We feel she presented a good question, and we have been glad to introduce this legislation in the hope that the additional tax benefit will be of help to these cases and will assist them to afford full-time care for themselves and at least the necessities for their families. We hope the Ways and Means Committee will consider this legislation next session and that it will be reported favorably and subsequently receive the support of the membership of the House.

CORPORATE OFFICERS: A NEW PRIVILEGED GROUP UNDER THE ANTITRUST LAWS ACCORDING TO TWO RECENT FEDERAL COURT DECISIONS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, two Federal courts have in recent days struck upon a novel, and manifestly unjustifiable interpretation of Federal antitrust law. The result is to make corporate officers a privileged group, who can wantonly violate the Sherman Act and yet avoid paying the full penalty that Congress has prescribed. Let me illustrate the point: If two individual

businessmen conspire to fix prices or rig bids or divide territories and are found to violate the Sherman Act, they are subject to a maximum fine of \$50,000 in addition to not more than a year's imprisonment. The same is also true of a partner who conspires on behalf of his business with a partner or representative of some other business.

But according to these recent cases, United States against National Dairies, decided in Kansas City, and United States against A. P. Woodson Co., in a ruling made on September 21, 1961, by the Federal district court sitting here in the District of Columbia, corporate officers who engage in such patently unlawful kinds of behavior are not subject to the same treatment. They are given the advantage of a strange interpretation of the law which has the effect of subjecting them to a maximum fine of only \$5,000. The result is that where the individual businessman or the partner violate the Sherman Act, they can be assessed a properly heavy fine of up to 10 times as much as can be levied upon a corporate officials who engages in precisely the same sort of behavior on behalf of his firm.

How did this anomalous situation come about?

What is involved, according to these two court decisions, is an alleged conflict between section 1 of the Sherman Act and section 14 of the Clayton Act. Section 1, it will be recalled, declares illegal all restraints of trade, and makes "every person" who makes any contract or engages in any conduct that constitutes a restraint of trade guilty of a misdemeanor. And Congress, in 1955, made any such criminal subject to a maximum fine of \$50,000. We deemed it necessary to increase the fine to that amount in order to deter violation and to make the wrongdoer account, in what is usually just a small way, for his flagrant disregard of our laws.

Section 14, part of the Clayton Act adopted in 1914, represented an effort on the part of the Congress to clarify the antitrust law as respects corporate officers who authorize unlawful conduct, but who do not actually engage in the forbidden behavior itself. Specifically this section provides that "whenever a corporation shall violate any of the penal provisions of the antitrust laws, such violation shall be deemed to be also that of the individual directors, officers, or agents of such corporation who shall have authorized, ordered, or done any of the acts constituting in whole or in part, such violation, and such violation shall be deemed a misdemeanor"—subject to a maximum fine of \$5,000.

It is evident that in adopting section 14 Congress sought simply to extend the reach of the antitrust laws to reach those corporate officers who authorize improper conduct, but who do not personally participate. Certainly it was not designed to change the clear applicability of section 1 of the Sherman Act to those persons, human or otherwise, who, regardless of their status, conspire to restrain trade.

Yet in these two ill-considered rulings the courts have seriously misread the

law and in the process have conferred a special status exclusively on corporate officers. No one other than such officers may flagrantly abuse the Sherman Act without running the risk of being compelled to pay a substantial fine of \$50,000. But corporate officers are accorded a unique status; they are allowed to disregard one of our most important pieces of legislation—at a maximum price of only one-tenth that which can be imposed on other persons who engage in exactly the same kind of illegal conduct.

The interpretation of the law reflected in these cases must be promptly corrected. It is my understanding that the Department of Justice is considering taking the National Dairies case on appeal to the Supreme Court this fall. I certainly urge that this be done for these rulings are plainly wrong. They are unjust and inequitable. If allowed to stand they will complicate further the whole problem of antitrust enforcement.

WHO MADE THE WORLD WAR II DECISION NOT TO DRIVE FOR BERLIN?—A LOOK AT THE HISTORICAL RECORD

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, so much has been said here in recent days with respect to the decision of the Western Powers in World War II not to try to beat the Russians to Berlin, that I believe Members may find it helpful to read for themselves the actual Department of the Army history of these events.

It will be recalled that the gentleman from Wisconsin [Mr. LAIRD] on September 7, in his remarks which appear on page 18590 of the RECORD, took issue with a statement appearing in State Department Publication 7257, dated August 1961, entitled "Background, Berlin—1961." The passage referred to by the gentleman from Wisconsin was as follows:

The Western armies could have captured Berlin or at least joined in capturing it. But the Supreme Allied Commander, General Eisenhower, believed that they could be more usefully employed against the major German forces elsewhere. As a result, the Soviets captured Berlin.

The gentleman from Wisconsin termed this passage a "deliberate misrepresentation of the background on the Berlin situation" and a complete fabrication of the facts." He went on to say:

Mr. Speaker, the records issued in the State Department and in the Department of Defense completely disprove this statement. The decision on not sending American forces into Berlin was made at the highest level and not by the commander in the field.

Subsequently, on September 18, the gentleman from Wisconsin [Mr. LAIRD] again discussed this matter under a special order in remarks which begin on page 20118 of the CONGRESSIONAL RECORD,

and in the course of these he included a letter from General Eisenhower himself, dated September 12, 1961.

Mr. Speaker, intrigued with this discussion, I have had occasion in the past few days to undertake to find the relevant documents or historical material relating to the decision referred to in the State Department publication and in the remarks of the gentleman from Wisconsin.

I believe my colleagues who have the time may find it of interest to read the official historical record on the important decision to which the gentleman from Wisconsin has twice drawn the attention of the House.

Under leave to extend my remarks I include excerpts from "The Supreme Command" by Forrest C. Pogue, one of a series of volumes in the official Army history of its operations in the European theater during World War II published under the general title "U.S. Army in World War II, European Theater of Operations."

I include also excerpts from an article from the April 1952 issue of World Politics by the same Army historian, Forrest C. Pogue, entitled, "Why Eisenhower's Forces Stopped at the Elbe."

CHAPTER XXIII. THE DRIVE TO THE ELBE

The battle for the Ruhr, however great the number of men involved, was but an episode in the campaigns of April which saw most of western and central Germany overrun and occupied by Allied forces. In less time than it took to bring resistance to an end in the pocket, elements of one army reached the Elbe, and others were within a few days of a junction with the Russians and entry into Czechoslovakia and Austria. As victory appeared only a few weeks away, the tactical considerations of the battle for Germany began to recede and political factors to take their place. But, ironically, the very period in which political guidance was perhaps the most needed was the one in which only the field commander could exercise real control. The British Chiefs of Staff tried doggedly to inject a note of political realism into the situation, but found that remote control of a battlefield stretching from the North Sea to the Italian Alps was well-nigh impossible, especially when the U.S. President and the U.S. Chiefs of Staff preferred to leave the final stages of the battle in the hands of the Supreme Commander.

SHALL IT BE BERLIN?

In no respect was the difference in British and United States viewpoints more clearly shown than in the case of Berlin. The Supreme Commander in mid-September had looked on the German capital as his ultimate objective, but by late March he had decided to direct his main drive toward Leipzig instead to link up with the Russians. This decision displeased the British because it meant the abandonment of Berlin as the objective and minimized the 21st Army Group's share in the offensive. It was made more unpalatable when on March 28 General Eisenhower asked the Allied military missions in Moscow to inform Marshal Stalin of his change in plans. The British Chiefs of Staff felt that the Supreme Commander, in informing the Russians directly of his decision, had not only made a political mistake but had also exceeded his powers. They promptly proposed that the Allied missions in Moscow be told to hold up delivery of later amplifications of SHAEF plans. If the Russians had already received these plans, the British said, they should be asked to delay their answer until

the Combined Chiefs of Staff could discuss the matter.¹

Sharply rejecting the British proposal as one that would discredit or at least lower the prestige of a highly successful commander in the field, the U.S. Chiefs of Staff said that any modification in the initial communication should be made, if at all, by the Supreme Commander, whose proposals they found to be in line with agreed-on strategy and with his initial directive. In what might be interpreted as a dig at the strategic views of the British Chiefs of Staff and Field Marshal Montgomery, they pointed to the battle in the Rhineland as a vindication of the Supreme Commander's military judgment. There, while the northern drive was making good, the secondary drive, which General Eisenhower had insisted on against British opposition, had achieved an outstanding success and had made it possible for the northern group of armies to accelerate its drive across the north German plain. The U.S. Chiefs were willing to ask the Supreme Commander for an amplification of his plan and for a delay of further messages to Moscow until he had heard from the Combined Chiefs of Staff, but they indicated that any change in their view that his ideas were sound was unlikely. Rather, they believed that the battle for Germany had reached the point "where the commander in the field is the best judge of the measures which offer the earliest prospects of destroying the German armies or their power to resist."²

The British were dismayed by the U.S. Chiefs' reaction. The Prime Minister assured both President Roosevelt and General Eisenhower that the British had no intention of disparaging or lowering the prestige of the Supreme Commander, and that their reaction had been prompted by their concern over plans and procedures which apparently left the fortunes of a million British troops to be settled without reference to British authority.³ He added that he felt the U.S. Chiefs of Staff had done less than justice to British efforts in the war. The British had suffered severe losses in holding the hinge of the attacks at both Caen and Wesel, but because of the nature of their task they had not shown the spectacular gains made by the U.S. forces. He favored an advance to the Elbe at the highest speed, but hoped that the shift in direction would not destroy the weight and momentum of Montgomery's drive and leave the British forces in an almost static condition along the Elbe when and if they reached it.

Turning now from Eisenhower's plans as they affected the 21st Army group, the Prime Minister spoke of the political factors involved in a failure to drive to Berlin. He declared:

"Having dealt with and I trust disposed of these misunderstandings between the truest friends and comrades that ever fought side by side as allies, I venture to put to you a few considerations upon the merits of the changes in our original plans now desired by

General Eisenhower. * * * I say quite frankly that Berlin remains of high strategic importance. Nothing will exert psychological effect of despair upon all German forces of resistance equal to that of the fall of Berlin. It will be the supreme signal of defeat to the German people. On the other hand, if left to itself to maintain a siege by the Russians among its ruins and as long as the German flag flies there, it will animate the resistance of all Germans under arms.

"There is moreover another aspect which it is proper for you and me to consider. The Russian armies will no doubt overrun all Austria and enter Vienna. If they also take Berlin, will not their impression that they have been the overwhelming contributor to our common victory be unduly imprinted in their minds, and may this not lead them into a mood which will raise grave and formidable difficulties in the future? I therefore consider that from a political standpoint we should march as far east into Germany as possible and that should Berlin be in our grasp we should certainly take it. This also appears sound on military grounds."⁴

Both the President and the Supreme Commander denied any American intent to underestimate British contributions to the campaigns in northwest Europe. Mr. Roosevelt explained that the U.S. insistence on upholding the Supreme Commander was an enunciation of a well-known military principle rather than an anti-British reaction. The unfortunate impression that the U.S. Chiefs had reflected on the performances of the 21st Army Group arose, he thought, from the U.S. Chiefs' failure to stress factors such as military obstacles and the strength and quality of opposing forces which had contributed to the difficulties facing Field Marshal Montgomery's forces. The President said he could not see that the Supreme Commander's plans involved any far-reaching change from the plan approved at Malta. He expressed regret that the Prime Minister should have been worried by the phrasing of a formal paper, but regretted even more that "at the moment of a great victory we should become involved in such unfortunate reactions."⁵

General Eisenhower, "disturbed, if not hurt" at the suggestion that he had any thought of relegating the British forces to a restricted sphere, assured the Prime Minister that "nothing is further from my mind and I think my record over 2½ years of commanding Allied forces should eliminate any such idea." The current offensive had been selected as the one which would contribute most effectively to the disintegration of the remaining enemy forces and the German power to resist. Once the Allies reached the Elbe, he thought it probable that U.S. forces would be shifted to Field Marshal Montgomery, who would then be sent across the river in the north and to a line reaching at least to Lucbeck on the Baltic coast. If German opposition crumbled progressively, there seemed to be little difference between gaining the central position and crossing the Elbe. If resistance stiffened, however, it was vital for the Allies not to be dispersed. Inasmuch as British and Canadian forces were to advance in exactly the same zones that had been planned by Field Marshal Montgomery, Eisenhower saw no reason why the role, actions, or prestige of those forces should be materially decreased by the shift of the 9th Army from Montgomery's to Bradley's com-

mand. The maximum extent to which the plans might be affected was in a possible short delay in making a powerful thrust across the Elbe. As for the drive to Berlin, the Supreme Commander made no promises. If it could be brought into the Allied orbit, he declared, honors would be equally shared between the British and U.S. forces.⁶

Although his suggested plan for Field Marshal Montgomery to retain the 9th Army and to march to the Elbe and then to Berlin had not been accepted, Mr. Churchill said that changes in the earlier strategy were fewer than he had initially believed. He assured the President that relations with General Eisenhower were still of the most friendly nature and concluded with what he described as one of his few Latin quotations: "Amantium irae amoris integratio est." The War Department promptly turned this happy token of restored good relations into English—"Lovers quarrels are a part of love"—and sent it to General Eisenhower.⁷

Mr. Churchill's words ended the discussion over the 21st Army Group's past contributions to Allied victory and its role in future campaigns, but did not dispose of the question of Berlin and the relations of the Western Allies with the U.S.S.R. Made suspicious by the alacrity with which Marshal Stalin agreed to General Eisenhower's decision to drive for Leipzig instead of Berlin, and by Russian agreement that Berlin was no longer of strategic importance, the British Chiefs of Staff urged that this phase of the Supreme Commander's program be reconsidered. Since they felt that it was primarily a matter more of political than of military importance, they asked that the Combined Chiefs of Staff remind the Supreme Commander of the desirability of taking Berlin. Apparently wishing to avoid any further communications to Moscow on the subject before the Combined Chiefs could pass on it, the British also asked that a proper procedure for communicating with the U.S.S.R. be laid down for SHAEF. They stressed that proper channels for dealing with the Russians were from heads of states to heads of states, and from high command to high command, and they indicated their belief that sufficient time existed for normal channels to be used.⁸

The U.S. Chiefs of Staff pointed to the 8 days which had been consumed in discussions over General Eisenhower's announcement of plans on March 28 as evidence that committee action could not effectively deal with operational matters at the speed they were then developing. "As the situation stands today," they declared, "the center is a pocket, the right is rapidly moving and the left is making progress. Overnight, this situation may change. Even now air forces are overlapping in their offensive against the enemy. Only Eisenhower is in a position to know how to fight his battle, and to exploit to the full the changing situation." Nor were they disturbed by General Eisenhower's failure to send his plans to Marshal Stalin through the Combined Chiefs of Staff. His message to the Red leader had gone to him as head of the Soviet armed forces and not as head of the state and, therefore, was not outside normal channels. While it was true that he could have dealt instead with the Red army chief of staff, experience had shown that any attempt to get decisions on a level lower than Stalin's met interminable

¹ Eisenhower to Mil Mission Moscow, SCAF 252, March 28, 1944, SHAEF SGS 373.5 bomb line, liaison, and coordination of fronts, I: Memo by Br. COS (Plan of Campaign in Western Europe), CCS 805, Mar. 29, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1-D. Eisenhower to Prime Minister, FWD 18334, Mar. 30, 1945; Prime Minister to Eisenhower, 2072, Mar. 31, 1945. Both in Eisenhower personal file.

² Memo by JCS, CCS 805/2, Mar. 30, 1945, 334 Europe (Aug. 5, 1943), sec. 1-D.

³ Churchill to Eisenhower, 2072, Mar. 31, 1945; Churchill to Eisenhower, 2096, Apr. 2, 1945. Both in Eisenhower personal file. Churchill to Roosevelt, 931, Apr. 1, 1945, enclosure to CCS 805, Mar. 29, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1-D.

⁴ Churchill to Roosevelt, 931, Apr. 1, 1945, enclosure to CCS 805, Mar. 29, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1-D.

⁵ Draft of message, President to Prime Minister (with notation "Dispatched as is per White House"), in reply to message of Apr. 1, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1-D.

⁶ Eisenhower to Churchill, FWD 18428, Apr. 1, 1945, Eisenhower personal file.

⁷ Churchill to Roosevelt, 933, Apr. 5, 1945; Marshall to Eisenhower, W-64244, Apr. 6, 1945, Eisenhower personal file.

⁸ Memo by representatives of Br. COS, CCS 805/4, Apr. 4, 1945, and enclosure A, Mil. Mission Moscow to WD (McG, Stalin to Eisenhower), MX-23588, Apr. 1, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1-D.

and unacceptable delays. Instead of agreeing to bar direct dealings with the Russians, the U.S. Chiefs of Staff proposed that the Supreme Commander be authorized to communicate directly with the Soviet military authority on all matters requiring coordination of Russian and Allied operations.⁹

On the broader political question of getting to Berlin before the Russians, the U.S. Chiefs of Staff reacted as they had done formerly in regard to proposals of Balkan operations. Their view was that the business of the Armed Forces was to get the war ended as soon as possible and not to worry about the matter of prestige which would come from entering a particular capital. Militarily there was the strongest basis for such a view. At the time, when it appeared clear that the U.S. forces could not possibly outpace the Russians for the German capital, when it was already known that the Russian occupation would reach far west of the Elbe and that anything taken by the Allies east of that river would have to be evacuated,¹⁰ when the Allies still faced a strong foe in the Pacific against whom it was then supposed that Russian help would be needed, there was little disposition on the part of the U.S. Chiefs of Staff to push to Berlin. The President, who at Yalta had made concessions in various parts of the world to the Russians apparently to insure their aid against Japan, would probably not have agreed with the U.S. Chiefs had they taken the opposite view. It is not clear whether the matter was ever presented to Mr. Roosevelt, who was then at Warm Springs, Ga., where he was to die in less than a week. The U.S. Chiefs of Staff in a statement of their views which may have reflected the President's thinking, said, "Such psychological and political advantages as would result from the possible capture of Berlin ahead of the Russians should not override the imperative military considera-

tion, which in our opinion is the destruction and dismemberment of the German armed forces."¹¹

General Eisenhower had discussed the military considerations involved in the drive to Berlin with General Bradley shortly after the Allies had crossed the Rhine. Impressed by the fact that nearly 200 miles separated the Allied bridgehead from the Elbe, and that 50 miles of lowlands, covered by streams, lakes, and canals, separated the Elbe from Berlin, the 12th Army Group commander had said that it might cost 100,000 casualties to break through from the Elbe to Berlin. Viewing Berlin as a political prize only, and not wishing to take a U.S. Army from his front in order to reinforce a drive by Field Marshal Montgomery to reach Berlin, he said that the estimated casualties were "a pretty stiff price to pay for a prestige objective, especially when we've got to fall back and let the other fellow take over."¹²

The Supreme Allied Commander informed the Combined Chiefs of Staff on April 7 of his reluctance to make Berlin a major objective now that it had lost much of its military importance. It was much more important, he felt, to divide the enemy west of the Elbe by making a central thrust to Leipzig, and to establish the Allied left flank on the Baltic coast near Luebeck to prevent Russian occupation of Schleswig-Holstein. His indication of willingness in the case of Luebeck to carry on an operation to forestall the Russians did not mean that he was weakening on his decision as to Berlin. He said that, if after the taking of Leipzig it appeared that he could push on to Berlin at low cost, he was willing to do so. "But," he added:

"I regard it as militarily unsound at this stage of the proceedings to make Berlin a major objective, particularly in view of the fact that it is only 35 miles from the Russian lines. I am the first to admit that a war is waged in pursuance of political aims, and if the Combined Chiefs of Staff should decide that the Allied effort to take Berlin outweighs purely military considerations in this theater, I would cheerfully readjust my plans and my thinking so as to carry out such an operation."¹³

Admiral Leahy has written that there is no evidence in his notes that the Combined Chiefs of Staff ever took up the question of the move on Berlin, and there seems to be little doubt that the decision was left by them to the Supreme Commander.¹⁴ Despite the feeling of the British, the way had been left open to a purely military decision on Berlin. That decision was made clear by the Supreme Commander on April 8 when Field Marshal Montgomery requested 10 U.S.

divisions for a main thrust toward Luebeck and Berlin. Betraying a note of impatience, General Eisenhower declared: "You must not lose sight of the fact that during the advance to Leipzig you have the role of protecting Bradley's northern flank. It is not his role to protect your southern flank. My directive is quite clear on this point. Naturally, if Bradley is delayed, and you feel strong enough to push out ahead of him in the advance to the Elbe, this will be to the good." Agreeing that the push to Luebeck and Kiel should be made after the Elbe had been reached, he asked how many U.S. divisions Montgomery would need for that operation omitting Danish operations and the push to Berlin. Of the taking of the German capital the Supreme Commander said: "As regards Berlin I am quite ready to admit that it has political and psychological significance but of far greater importance will be the location of the remaining German forces in relation to Berlin. It is on them that I am going to concentrate my attention. Naturally, if I get an opportunity to capture Berlin cheaply, I will take it."¹⁵

The Berlin question was raised once more before the Russians captured the city. On that occasion, a U.S. commander, General Simpson, having reached the Elbe, suggested that he be permitted to go to the German capital. The Supreme Commander instead ordered that he hold on the Elbe while turning his units northward in the direction of Luebeck and southward toward the national redoubt area. In informing the War Department of this action, General Eisenhower said that not only were those objectives vastly more important than Berlin but that no plan for an immediate effort against Berlin "would be foolish in view of the relative situation of the Russians and ourselves. * * * While it is true we have seized a small bridgehead over the Elbe, it must be remembered that only our spearheads are up to that river; our center of gravity is well back of there."

WHY EISENHOWER'S FORCES STOPPED AT THE ELBE¹

(By Forrest G. Pogue)

On April 12, 1945, the day of President Roosevelt's death and 18 days before the Russians took Berlin, American forces crossed the Elbe near Magdeburg, some 50 miles from the German capital. A second bridgehead was established across the Elbe on the 13th. On the following day, a German counter-attack forced U.S. units to withdraw from their northern bridgehead while retaining the one in the south. These elements were ordered to hold in place, and other units arriving at the Elbe were turned toward

⁹ Memo by JCS, CCS 805/5, Apr. 6, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1-D, General Eisenhower was informed of this memorandum and of the British note which prompted it in Marshall to Eisenhower, W-64349, Apr. 6, 1945, Eisenhower personal file. SHAEF G-3 Division said on April 11, 1945, that the cable constituted authority for the Supreme Commander to communicate directly with the Soviet high command. The secretary of the general staff thought that sufficient authority had already been granted in the Combined Chiefs of Staff cable of December authorizing the Supreme Commander to send representatives to Stalin (CCS to SHAEF, FACS 118, Dec. 26, 1944, OPD cbl files [TS]). To make certain that no objection would be made on political grounds, SHAEF section chiefs were instructed to send all cables in future to the Soviet high command and not directly to Marshal Stalin. Nevins to DAC G-3, Apr. 11, 1945; Nevins to DAC G-3, Apr. 12, 1945; DAC G-3 to sec. chiefs, Apr. 15, 1945. All in SHAEF G-3 321.3-1 correspondence and communication with the Russians.

¹⁰ This did not apply to Berlin, which was to be held jointly by the Western Allies and the Russians. It is questionable that the knowledge of the zones constituted the main factor in SHAEF's thinking at the time. General Eisenhower wrote in 1948:

"I already knew of the Allied political agreements that divided Germany into post-hostilities occupational zones. * * *

"The future division of Germany did not influence our military plans for the final conquest of the country. Military plans, I believe, should be devised with the single aim of speeding victory; by later adjustment troops of the several nations could be concentrated into their own national sectors." Crusade in Europe, p. 396. See also below, pp. 463-466.

¹¹ Memo by JCS, CCS 805/5, Apr. 6, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1-D.

¹² Bradley, "A Soldier's Story," pp. 535-536. In a significant statement, General Bradley says of this reaction: "Had Eisenhower even contemplated sending Montgomery ahead to Berlin, he would have had to reinforce that British flank with not less than one American Army. I could see no political advantage accruing from the capture of Berlin that would offset the need for quick destruction of the German Army on our front. As soldiers we looked naively on the British inclination to complicate the war with political foresight and nonmilitary objectives."

¹³ Eisenhower to Marshall, FWD 18710, Apr. 7, 1945, Eisenhower personal file. Many of the points were stated in an earlier message, Eisenhower to Marshall, SHAEF 260, Mar. 31, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1-D.

¹⁴ Leahy, "I Was There," p. 351. General Eisenhower in a letter to the author, Feb. 20, 1952, said, "So far as my memory serves, I believe it is correct that the Apr. 7 message was not answered by the Combined Chiefs of Staff."

¹⁵ Montgomery to Eisenhower, M-568, Apr. 6, 1945; Eisenhower to Montgomery, Apr. 8, 1945. Both in Eisenhower personal file. Field Marshal Montgomery replied: "It is quite clear to me what you want. I will crack along the north flank 100 percent and will do all I can to draw the enemy forces away from the main effort being made by Bradley." Montgomery to Eisenhower, M-1070, Eisenhower personal file.

¹ This paper was delivered in substantially the same form before a session of the American Historical Association in New York on Dec. 28, 1951. It is based on two chapters in the Supreme Command, a study of the high-level command of Allied forces in northwest Europe, 1944-45, which is scheduled to appear in 1952 or early part 1953 as a part of the U.S. Army in World War II series now being published by the Department of the Army. The author has had access to minutes of the Combined Chiefs of Staff and Joint Chiefs of Staff Conference, War Department and SHAEF files, and personal papers of General Eisenhower.

objectives south and north along the west bank of the river. On May 5, a week before the Russians entered Prague, the 3d U.S. Army had advanced spearheads inside the Czechoslovak frontiers and, on the day the war ended, General Patton was in a position to send aid to the Czechoslovak capital. Despite the pleas of Czechoslovak leaders in Prague and London, these units were not sent forward.

Many observers pondering these facts have concluded that only a political decision, perhaps one made some weeks before, could have halted General Eisenhower's forces at the Elbe. As a result, a theory has been developed to the effect that President Roosevelt promised Berlin and Prague to the Russians at Yalta and that General Eisenhower fulfilled a political bargain by stopping his armies at the Elbe. Preparing their coup in Czechoslovakia after the war, Communist propagandists changed this story and insisted that the 3d Army was deliberately held outside Prague in the hope that the Germans would destroy the leftwing leaders in the city.

In contradiction to this theory, the following statements may be made at the outset: (1) the printed minutes of the conference at Yalta reveal no trade on Berlin and Prague; (2) Admiral Leahy, through whom directions were usually sent from the President to General Marshall and commanders in the field, says that his notes fail to show that the matter ever came before the Combined Chiefs of Staff—a statement which the minutes of the Combined Chiefs of Staff appear to substantiate; (3) there is no evidence in the cable logs or correspondence files of the War Department or of SHAEF that any political directive was ever issued on these matters to General Eisenhower (indeed, as we shall see, there is definite evidence to the contrary); and (4) Generals Eisenhower and Bradley both indicate in their memoirs that the decision to stop at the Elbe was based on military and not political grounds.²

A careful examination of the military steps leading to the decisions that governed Eisenhower's action will strengthen the view that while the Supreme Commander was aware of the importance of political considerations in military activities, he halted his troops short of Berlin and Prague for military reasons only.

THE SITUATION IN THE SPRING OF 1945

It is important to remember that prior to the first of April 1945—the time at which General Eisenhower decided definitely to stop west of the Elbe—the zones of occupation in Germany and the occupation sectors in Berlin had been agreed upon by the political and military leaders of the United States, Great Britain, and the U.S.S.R. These zones had been laid down along lines suggested by the British in a draft of January 1944; Prague was not included in the agreement; nothing was said about Berlin being reserved to the Russians; and there was the assumption in some military circles that Russia could have received a larger zone had she demanded it.³

² Dwight D. Eisenhower, in "Crusade in Europe" (New York, 1949, p. 396), says: "This future division of Germany [into post-hostilities occupation zones] did not influence our military plans for the final conquest of the country. Military plans, I believed, should be devised with the single aim of speeding victory; by later adjustment troops of the several nations could be concentrated into their own national sectors." See also, *ibid.*, pp. 396-403; and Omar N. Bradley, "A Soldier's Story," New York 1951, pp. 531-537.

³ Philip E. Mosely, adviser to the U.S. delegation to the European Advisory Commission in London which drew up the bound-

At the time of the Crimean Conference in early February 1945, when plans for the final defeat of Germany were being discussed, no military man in the West could have been blamed had he believed that Prague, Berlin, and even cities west of the Elbe might fall to the Red Army. The Allied forces, which were just recovering from the Ardennes counteroffensive, were not only still west of the Rhine in early February, but in the area north of the Ardennes still faced a stiff fight in the flooded Roer Valley. There were disquieting reports that the Germans were preparing a mountain redoubt in southern Germany and western Austria, from which they would harry the Allies and carry out a last-ditch fight for perhaps many months to come. This was a particularly unpleasant prospect for the United States, which wanted to end the war quickly in Germany in order to send men and supplies from the European Theater to General MacArthur in the Pacific. U.S. public opinion—far more interested in ending the war and returning to normal than in making political arrangements for the future, especially arrangements considered to be more to the interest of Great Britain and France than to us—would scarcely have backed any action which required new commitments in Europe, particularly east of the Elbe. Furthermore, U.S. commanders throughout the war had followed a policy of staying clear of political commitments as far as possible. As students of the strategic debates between the British and United States Chiefs of Staff know, the U.S. military leaders insisted on those military actions which would end the war quickly and at the least cost in men. General Eisenhower, schooled in a military tradition which taught commanders to stay clear of political decisions and keep their eyes on the military road to victory, believed that the U.S. Chiefs of Staff wanted him to avoid political commitments if they meant the prolongation of the war.⁴

BERLIN

With this background in mind, it is possible to examine more clearly the decision as to Berlin. That city was listed as the ultimate goal of the Western Powers by SHAEF in a pre-D-Day plan of May 1944.⁵ In mid-September 1944, while holding that Berlin was "the main prize," General Eisenhower said that allied strategy would have to be coordinated with that of the Russians. He thought that should the Red forces "beat us to Berlin," the British forces ought to be pushed northward to take the Hanover area and the Hamburg group of ports, and that General Bradley's forces should seize part or all of the Leipzig-Dresden area, "depending upon the progress of the Russian advance."⁶ In the next 2 months, as Field Marshal Montgomery pressed repeatedly for a single Allied thrust to Berlin, northeastward from the Rhine, General Eisenhower made it clear that he was more interested in the Ruhr than Berlin. Germany, he believed, had two hearts: one industrial (the Ruhr), and the other political (Berlin). He wished to attack the Ruhr, for if the industrial heart stopped, the political heart would also die.⁷

aries, has written an authoritative article on the subject: "The Occupation of Germany: New Light on How the Zones Were Drawn," *Foreign Affairs*, XXVIII, No. 4 (July 1950), pp. 580-604.

⁴ Eisenhower, *op. cit.*, p. 396.

⁵ SHAEF planning staff draft of post-Nepenthe course of action after capture of the lodgment area, main objectives and axes of advances, I, May 3, 1944, SHAEF SGS Post Overlord Planning 381, I.

⁶ Eisenhower to Bradley, Montgomery, and Devers, Sept. 15, 1944, SHAEF SGS Post Overlord Planning 381, I.

⁷ This view was expressed in several letters of the period, but the particular figure of

In March 1945, just after the Rhine had been crossed in force, General Eisenhower again considered the question of Berlin and discussed the situation with his chief U.S. subordinate, General Bradley. The latter has summarized the situation graphically in "A Soldier's Story." Nearly 200 miles separated Montgomery's Rhine bridgehead from the Elbe. Meanwhile, Marshal Zhukov had nearly a million men on the Oder with some elements within 30 or 40 miles of the German capital. Even if the Allies reached the Elbe before Zhukov crossed the Oder, the British and United States forces would still have to cross 50 miles of lowlands marked by lakes, streams, and canals to get to Berlin. When asked by General Eisenhower for an opinion, General Bradley estimated that a breakthrough from the Elbe would cost 100,000 casualties. "A pretty stiff price to pay for a prestige objective," he told the Supreme Commander. And, remembering that the Allies had already agreed that the Russian occupation zone would run within 100 miles of the Rhine, he added, "Especially when we've got to fall back and let the other fellow take over." He says candidly:

"I could see no political advantage accruing from the capture of Berlin that would offset the need for quick destruction of the German Army on our front. As soldiers we looked naively on this British inclination [the desire to go on to Berlin] to complicate the war with political foresight and non-military objectives."⁸

With these recommendations in mind and the fear that the enemy might successfully establish his redoubt, General Eisenhower concluded near the end of March that he should push his main force from the Kassel-Frankfurt area to the Elbe, split the German forces, cut off Berlin from the national redoubt area, and then turn his forces directly to the north and to the south. This latter maneuver he had suggested in September 1944, to enable him to seize ports on the North Sea and the Baltic and to clean up forces in the area to the south before the enemy could assemble a force there. He asked that the Russians be told that he would stop on the Elbe for the time being so that they would know how to fit their plans into his.⁹

The British Chiefs of Staff protested strongly against these proposals. They were apparently influenced in some degree by Field Marshal Montgomery's plan for driving across the north German plain and making a quick thrust to Berlin. The main drive was to be made by his 21st Army Group and by one U.S. army under his control. General Eisenhower opposed leaving the rest of his forces relatively idle while this project was in progress. He decided that the main drive should start instead from the center of his line, thus giving the principal role in the offensive to Generals Bradley, Hodges, and Patton.¹⁰

The British Chiefs of Staff held that General Eisenhower's new proposal went contrary to his previous assurances that the main battle would be fought in the north, that it relegated their forces to a secondary position, and that it failed to seize Berlin—an

speech was that of Lt. Gen. Walter Bedell Smith, who used it in explaining SHAEF's policy (interview with General Smith by author, Nov. 1, 1951).

⁸ Bradley, *op. cit.*, pp. 531-537, 544.

⁹ Eisenhower to Military Mission Moscow, Personal to Marshal Stalin, SCAF-252, Mar. 28, 1945, SHAEF SGS Bombline, Liaison, and Coordination of Fronts 373.5 I.

¹⁰ The British reactions were indicated in Marshall to Eisenhower, W-60507, Mar. 29, 1945, Eisenhower personal file. The Prime Minister's reactions and those of General Eisenhower are given in Eisenhower to Marshall, FWD-18345, Mar. 30, 1945, Eisenhower personal file.

important political prize. They were particularly worried because General Eisenhower had notified Marshal Stalin that the Allies proposed to stop at the Elbe. They went so far as to tell the Allied representatives in Moscow not to deliver later amplifications of the message to Stalin until they had a chance to discuss the matter further.¹¹

In their reply, the U.S. Chiefs of Staff strongly backed the Supreme Commander's strategy and his right to communicate with the Russian military chief. They held that, in the existing fluid state of the battle, he was the only person in a position to judge what measures were best for destroying the German armies and their will to resist. They thought it unsound to turn the battle into the area north of the Ruhr, the one region where the Germans had appeared to be successful in resisting the Allies.¹²

Mr. Churchill, not convinced by these arguments, took up the matter with President Roosevelt on April 3, pointing out that Berlin was still of great psychological importance to the enemy and that loss of the city would be the signal of defeat for the Germans. Moreover, he added, there was a political question to consider. The Russians were already in a position to overrun Austria and take Vienna. He asked: "If they also take Berlin, will not their impression that they have been the overwhelming contributor to the common victory be unduly imprinted in their minds, and may this not lead them into a mood which will raise grave and formidable difficulties in the future?"¹³

The President made no mention in his reply of the political issues involved in the question. Unlike his habit on other occasions, such as in the controversy over the landings in southern France when he had continued to remind the Prime Minister and General Eisenhower of promises made to the Russians, he mentioned no similar considerations now. Instead, he noted that Eisenhower's plans to turn forces north and south of the Elbe were in accord with earlier Allied strategic decisions reached before Yalta. He regretted that "at the moment of a great victory we should become involved in such unfortunate reactions." The fact that he made no effort to clinch his arguments with a reference to any promises to the Russians must be taken as significant evidence that neither he nor the Prime Minister had made any agreements at Yalta.¹⁴

The British Chiefs of Staff, more alert to the political implications of the decision than were the U.S. Chiefs, again urged that General Eisenhower be directed to take Berlin. Again the U.S. Chiefs of Staff held that the commander in the field should make the decisions on the basis of what was best for military victory. They said that Berlin would probably be within the center of impact of his main thrust, "but it is emphasized that the destruction of the German armed forces is more important than any political or psychological advantages which might be derived from possible capture of the German capital ahead of the Russians." They proposed that the Supreme Commander be authorized to communicate directly with the Soviet authority on matters requiring coordination of military efforts.¹⁵

On April 7, General Eisenhower defended his views in a message to the Combined Chiefs of Staff. He said he was reluctant to make Berlin a major objective since it had lost much of its former importance; it was in ruins and much of the governmental personnel had left the city. His chief interest at the moment was in dividing the enemy forces by a thrust to the Elbe near Leipzig and by establishing the Allied left flank on the Baltic coast near Luebeck. His only political reaction was shown in his statement that this push to the Baltic would prevent the Red Army from occupying any part of the Danish Peninsula. If after accomplishing these aims it was possible to take Berlin, well and good. He then made it quite clear that he was working on the basis of military objectives, but was willing to consider political factors in his decisions. He declared:

"But I regard it as militarily unsound at this stage of the proceedings to make Berlin a major objective, particularly in view of the fact that it is only 35 miles from the Russian lines. I am the first to admit that a war is waged in pursuance of political aims, and if the Combined Chiefs of Staff should decide that the Allied effort to take Berlin outweighs purely military considerations in this theater, I would cheerfully readjust my plans and my thinking so as to carry out such an operation."¹⁶

Shortly thereafter, when Montgomery pressed the need of a strong drive in the north which would require placing U.S. forces under his command, Eisenhower said:

"As regards Berlin, I am quite ready to admit that it has political and psychological significance, but of far greater importance will be the location of the remaining German forces in relation to Berlin. It is on them that I am going to concentrate my attention. Naturally, if I can get an opportunity to take Berlin cheaply, I shall take it."¹⁷

A few days later, shortly after President Truman had taken office, the question of policy toward Germany was again raised by the British. In a discussion of the zones of occupation, the new President declared that "the tactical deployment of American troops in Germany is a military one," and suggested that certain latitude and discretion be given the Supreme Commander. Admiral Leahy adds, in reporting this fact:

"He [Eisenhower] made a military decision in the field to rest on the Elbe, to which he knew he would have to withdraw anyway as soon as the German resistance collapsed. My notes do not show that the matter came before the Combined Chiefs of Staff. The Russians, after overcoming savage street-by-street resistance, announced the complete capture of Berlin on May 2, 1945."¹⁸

FEDERAL AVIATION SERVICE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, for the information of the Members, I am today, at the request of the Administrator of the Federal Aviation Agency, introducing a bill to establish a Federal Aviation Service within the Federal Aviation Agency to provide air traffic

control and other essential services in time of war or emergency involving national defense. In view of the fact that this involves other of the major committees of the House and other services I make this announcement in order that we may work on this problem during the adjournment of Congress.

The need and the purpose of the legislation are outlined in a letter that I shall insert in the RECORD as part of my remarks.

(The matter referred to follows:)

FEDERAL AVIATION AGENCY,
Washington, D.C., September 20, 1961.
Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: In accordance with section 302(g) of the Federal Aviation Act of 1958, I submit herewith for the consideration of the Congress a report, with recommendations for legislation, on personnel problems inherent in the functions of the Federal Aviation Agency. The Bureau of the Budget advises that enactment of legislation along the lines of the draft bill attached to the report would be consistent with the objectives of the administration.

The Federal Aviation Act contemplates the transfer of military air traffic control and air navigation facilities to the FAA in the interest of establishing an integrated system serving the needs of civil and military aviation. This report sets forth the personnel management legislation the Federal Aviation Agency has under consideration to help it man the common system and operate these military facilities in support of national defense requirements. With the recommended legislation FAA can provide a more responsive, dedicated, career work force and can better realize the full advantages of a common system.

In brief, the proposed legislation would establish a Federal Aviation Service (FAS). This Service would be basically civilian in character. However, in time of war or emergency involving national defense, the President could place in the Service in a military status. In addition, when deemed necessary in the interest of national defense by the Secretary of Defense, the FAA Administrator would be authorized to place selected members and selected elements of the service in a military status. The Service would include only those FAA employees essential to performance of the Agency's national defense mission in peace and war who voluntarily accept FAS membership. When placed in military status, FAS members would be subject to the Uniform Code of Military Justice, thus assuring their availability and responsiveness to meet defense needs. I am pleased to report that the Department of Defense is in full agreement with the fundamental aspects of the FAS proposal.

The eventual transfer of numerous facilities dispersed throughout the world involving many thousands of employees, is a matter of tremendous complexity. The consolidation will, therefore, require several years for its accomplishment and will be undertaken only in accordance with detailed plans worked out in cooperation with the Department of Defense. The agreement reached by the FAA with the Department of Defense on the basic features of the personnel legislation will make it possible to proceed with detailed management studies covering all aspects of the changeover, including such matters as specific numbers of personnel involved, equipment needs, housing requirements overseas, the need for additional employee incentives and benefits, and determination of the full extent of manpower savings to the Government. As these studies are completed, I shall submit such

¹¹ Marshall to Eisenhower, W-61337, Mar. 31, 1945, Eisenhower personal file.

¹² Ibid.

¹³ For a similar view and for General Eisenhower's reactions, see Eisenhower, op. cit., p. 399.

¹⁴ Draft of message for the President to the Prime Minister (with notation "dispatched as is per White House") in reply to message of Apr. 1, 1945. Operations Division (War Department) files ABC-384 Europe (Aug. 5, 1943), sec. 1-d.

¹⁵ Paraphrase of U.S. views given in Marshall to Eisenhower, W-64349, Apr. 6, 1945, Eisenhower personal file.

¹⁶ Eisenhower to Marshall, FWD-18710, Apr. 7, 1945, Eisenhower personal file.

¹⁷ Eisenhower to Montgomery, Apr. 8, 1945, Eisenhower personal file.

¹⁸ William D. Leahy, "I Was There," New York, 1950, pp. 350-351.

further reports and legislative recommendations as are found necessary and desirable.

Meanwhile, various elements of the FAS legislative proposal are subject to further executive branch consideration. The draft bill submitted with this report provides the basic legislative structure for the establishment of the Federal Aviation Service. Additional matters are under review; as the review progresses I may submit further proposals for consideration as amendments to the present draft bill.

I urge the early and favorable consideration of the proposed legislation by the Congress as a major step forward in increasing the efficiency of the Nation's air traffic control system.

Respectfully

N. E. HALABY, *Administrator.*

Mr. HARRIS. Mr. Speaker, also it might be of interest to Members of the House to know that later in the day I shall undertake to advise the House of the action that has been taken within the last year or so to improve procedures of the major regulatory agencies of the Government. I shall bring up to date what has happened in the field of legislation, by reorganization and also the action taken by the various major regulatory agencies within their agencies in helping to improve their services and the administration of the law; and to report to the House what I think is a very fine job that is being done by all of these agencies at this time.

I thought the Members might be interested in the report to which I invite attention of all Members, as well as others interested.

REPORT ON THE 87TH CONGRESS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 30 minutes.

Mr. VANIK. Mr. Speaker, the first session of the 87th Congress, now approaching its close, responded substantially to the leadership of President Kennedy and his "New Frontier" administration. It failed the President only on his hopes for long-term foreign aid financing and his proposals for a far-reaching school program. In practically every other area, the President got what he wanted after the customary deliberations of the legislative bodies. This support of Congress manifested the growing support which the President was receiving throughout the land. Unlike the preceding Congress which suffered 44 vetoes, the output of the 87th Congress was not slashed by presidential vetoes. It was obvious that the President and the Congress were working more closely together. As a result, the net legislative gains were far more substantial. National problems were more readily met. America was moving forward.

The cooperation of Congress was not accidental. In previous administrations, a working coalition between conservative Democrats and the Republican minority combined to develop control over the legislative output. The Rules Committee of the House of Representatives was controlled in the same way and threatened the entire Kennedy program. The Democratic leadership, sensing this threat to the vital Kennedy program, decided to eliminate the Rules Committee

legislative roadblock. On January 31, the House, by a five-vote margin, voted to enlarge the Rules Committee and the House was permitted to work its will.

There are those who may argue that this parliamentary change did not clear the entire program, but if the Rules Committee power had not been assailed, the New Frontier would have suffered a legislative ambush.

FOREIGN AFFAIRS—THE STRUGGLE AGAINST ISOLATIONISM

The succession of failures of American diplomacy during the past 8 years continued into the new administration. In foreign affairs the course had long been charted and the President had to master the controls of the ship of state before he could guide it. The complex super-bureaucratic administration of the State Department presented no simple problem. Before we realized we were under way, we were caught in the shoals of the Cuban fiasco.

Cuba was used by the Communists as a feint to divert the United States while the real target was Berlin. Immediately after meeting President Kennedy in Vienna, Khrushchev lost no time in announcing his long-planned intentions of forcing America to negotiate with his East German puppets on future rights in Berlin. Meanwhile, the United Nations organization was plagued with a succession of Communist-inspired problems in Viet Nam, Laos, Algeria, and Africa. A measles-rash of trouble spots broke out all around the globe. Adenauer's leadership of West Germany weakened with his age while Dag Hammarskjöld gave his life in the cause of peace. Meanwhile, Premier Khrushchev brought out his bombs and fired them one by one in what some experts called a "deliberate effort to contaminate the atmosphere to a degree that would prohibit any other nation's testing without causing grave damage to human life as well as plant life." Meanwhile, Khrushchev's bomb tests were spreading poisonous contamination over all the rest of the world—while the so-called uncommitted nations were urging America to give up on Berlin.

From all indications, things would get worse before they could change for the better. Without Dag Hammarskjöld in the Secretariat, the United Nations was weakened until a new helmsman could take control. Further Communist penetration could dilute the framework of the United Nations. The Communist bloc is almost ready to shove Red China into the club. Then great domestic pressures will be generated in the United States to disassociate from the organization which we created. America would be urged on a foolhardy course of separation and isolation from the troubles of the world. That would set the stage for a Red takeover.

President Kennedy seeks to keep the United States as the forceful guide in the family of nations. Meaningful foreign aid is the vehicle for bettering the plight of man throughout the world. The American people owe their President a chance to see if he can readjust the program to world betterment and the spread of a just democracy.

If we are to return to our almost forgotten former position of world leadership, we must reaffirm our devotion toward world peace, make manifest our concern for the underprivileged, the suppressed, the neglected, the forgotten who constitute most of the people of the world. As we help them to the fruits and seeds of freedom and democracy we will increase the world yield of good and betterment.

THE STATE OF THE NATION

On September 21, just before Congress adjourned, I attended a breakfast at the White House at which President Kennedy explained that of the \$5.9 billion extra spending on his budget, 68 percent or \$4 billion was allocated for national security and space; \$0.9 billion for anti-recession measures of which one-half would be repaid through unemployment taxes; \$1 billion for other essential operations of which one-half would be repaid through social security taxes. The actual Treasury losses would result from increased costs of aid for dependent children, the urban renewal program and agriculture.

He pointed out that the gross national product was up to approximately \$525 billion, industrial production was almost \$113 billion, corporate profits before taxes almost \$45 billion, while personal income soared to over \$420 billion. He pointed out that farm income was up for the first time to \$12.8 billion and that the gold outflow was reversed for the first time since 1955. These indications of recovery from the recession were accomplished without raising the cost of living which showed consumer prices up only two-tenths of 1 percent in the first 6 months of his administration.

The President pointed with pride to the industrial peace that prevailed throughout the Nation. Less than one-eighth of 1 percent of productive time was lost in labor-management disputes.

"BEEFING UP" DEFENSE

With the Soviet effort to make our atmosphere dangerously "uranious" and with their progress in space flight, America was driven to the necessity of "beefing up" its defenses. To meet the threat to security, the President promptly called up Reserves to strengthen manpower and asked Congress for additional funds and Congress responded.

Congress appropriated \$47.6 billion for national defense, \$2.5 billion for atomic energy—related to defense, \$5 billion for veterans' services, and about \$4 billion for foreign aid. The sums to be spent for national security, therefore, total in excess of \$60 billion. It becomes readily apparent, therefore, that 70 cents of every Federal tax dollar is being spent to provide what appears necessary to achieve a basic minimum level of national security.

It is regrettable that world conditions compel this otherwise needless expenditure, but there can be no price tag on freedom. We must face up to the cost of whatever is necessary to preserve our way of life on this planet.

While we undertake these necessary steps in the national defense, we must

pray that wisdom will circumvent the loss of life, property, and liberty which is the toll of war. Beyond that, we must take steps to safeguard our people from the ravages of hydrogen holocaust. There is no doubt that millions of lives can be spared if proper use is made of fallout shelters and other lifesaving devices.

In this connection, I have urged Department of Defense officials to investigate the adaptability of the Cleveland Underground Exhibition Hall as a fallout shelter. It would be a tragic dereliction of public responsibility if this new \$12 million structure did not incorporate essential requirements for the protection of the civilian population.

SOCIAL SECURITY

Since 1955, I have urged the enactment of legislation to reduce the retirement age for men from age 65 to 62. Accelerated retirement is one of the most successful answers to the problem of automation. Every time a man can afford to retire in dignity, his retirement creates a job opportunity for a younger worker coming along.

One of the great achievements of this session of Congress came about in the enactment of legislation which makes it possible now for a man to retire at age 62 and receive 80 percent of the benefits which would accrue to him at age 65. It is expected that almost 2 million men will soon take advantage of this "job creating" legislation.

The Congress also increased minimum social security benefits from \$33 per month to \$40 per month. The law also provides a 10-percent increase in the benefits of aged widows under the program. Under the new law, an aged widow will receive a benefit equal to 82½ percent of what her husband received, or would have received if he had lived. In addition, the law was also amended to provide that people who receive social security benefits and work will have less benefits withheld—a slight recognition of the fact that social security benefits alone are not ample to sustain retired citizens in dignity.

When Congress meets in January, one of the first items on the agenda will be the extension of social security to provide medical and health insurance. The "doctors' lobby" succeeded this year in delaying this necessary and inevitable program. Furthermore, it was extremely difficult to combine this program with the proposals for accelerated retirement for men. Although the medical and health needs of our senior citizens are compounding at a frightful pace, legislative changes are a slow process.

In my district, I am particularly aware of the tremendous need for health and medical care for thousands of our senior citizens under the social security program. I am pledged to act with every strength at my command to vigorously support this vital program in 1962.

TEMPORARY UNEMPLOYMENT INSURANCE EXTENSION

The unemployment problem of over 6 million unemployed inherited by the Kennedy administration was a "No. 1 target" of the new Congress. In record time, Congress passed and placed on the

President's desk the "Temporary Unemployment Compensation Act of 1961," which President Kennedy signed on March 24, 1961. Within days, benefits began to flow to unemployed workers whose unemployment benefits were exhausted after June 30, 1960. Desperate unemployed workers in Ohio were given benefits for an additional 13 weeks. Homes were saved and family life was preserved. In January, almost 13,000 Ohioans had exhausted their benefit rights. By the end of March, almost 40,000 Ohioans faced this dilemma. As a result of this vital legislation, thousands of Ohio homes were spared by this act of "national humanity"—which almost came too late.

As a companion measure to extended unemployment compensation, the Congress passed laws providing aid to the dependent children of unemployed parents. Under this program, Ohio was allocated almost \$29 million to distribute with its own funds for needy children of the unemployed. Without this help, the machinery of Cleveland's relief services, as well as those throughout the State, would have collapsed under the pressure of the hungry and discouraged unemployed.

This law provided a dramatic humanitarian advance in seeking to provide the needy children of unemployed workers with at least the same benefits provided children of abandoning or deserting parents. This legislation served to preserve family life because it curtailed the practice of unemployed fathers "running away" from their families in order to make them eligible for welfare benefits.

MINIMUM WAGE INCREASE

The economic front of the Nation was strengthened by an increase in the minimum wage for some 25 million workers to \$1.25 per hour in two stages: \$1.15 per hour in the first 2 years, \$1.25 per hour in the third year.

In addition, coverage was extended to 3,600,000 newly covered people on a step-by-step basis, so that in 4 years their hourly minimum wage will be increased to \$1.25. This additional coverage went into effect September 3 of this year.

Although this legislation does not have an immediate effect upon most workers in the Cleveland area who receive wages substantially above the minimum, it does serve to raise wage rates in communities which industrially compete with Cleveland on the basis of cheap labor. As the minimum wage is increased, it reduces the incentives to plant migration or runaway to the cheap labor areas of the South. Local industries as well as workers benefit by the narrowing of the gap in minimum wage standards.

The increased minimum wages principally affect the South, reducing industrial competition with the North, while at the same time giving the southern worker more wages with which to purchase housing, higher education, and a better life. Ultimately this program will result in tax savings to the entire country, reducing the need for Federal subsidies in the South.

HOUSING

This Congress enacted one of the most comprehensive housing bills in the past 12 years. I was pleased to be called to the White House on June 30 to be present when President Kennedy signed this bill into law. He then presented me with one of the pens with which he signed his name.

Under this new housing bill, Federal housing loans were extended to a maximum of 35 years for new housing, 30 years for older housing, and 40 years for displaced families. Down-payments were reduced to 3 percent of the first \$15,000 of appraised value, 10 percent of the appraised value between \$15,000 and \$20,000, and 25 percent of the appraised value above \$20,000.

Urban renewal received a \$2 billion allocation to carry on the program of rebuilding the central cities of America. Cleveland has already received \$4½ million in Federal funds for urban renewal grants and \$26.3 million in loans and is already scheduled to receive an additional \$18½ million in urban renewal grants and an additional \$18 million in loans on projects already programed.

As a result of the urban renewal program, several huge projects will soon be constructed in Cleveland including apartments and a new office building in the Erieview project. Several other groups, such as the Four Freedoms Group of organized labor, are contemplating the construction of cooperative apartments for retired workers. Efforts will be renewed to obtain FHA approval of a large apartment at East 21st and Euclid. In addition, Cleveland has several projects underway to provide housing for the elderly under the Federal housing program.

Although the dream of a decent home for every citizen is far off, progress is being made through Federal programs and a high degree of local effort.

DEFENSE EDUCATION ACT

I was pleased to support a 2-year extension of the National Defense Education Act. This law is vital to our community because it makes Federal funds available for college loans. More and more young people in our community are able to complete their education through this loan program in which the Federal Government provides 90 percent of the funds. Any student seeking a college loan must apply to the college of his choice since this program is administered by the individual college.

HANNA CASE

On May 17, I told the House about a fantastic deal involving the Hanna Co. and other corporations which had been headed by George M. Humphrey, first Secretary of the Treasury under the Eisenhower administration. In my speech, I disclosed how the Hanna companies parlayed a \$440,000 investment into a \$50 million profit—much of it tax free—at practically no risk.

My research traced the activities of the Hanna companies through the development of a nickel mine in Oregon, developed at public expense, and a guaranteed contract for \$111 million for the smelted metal, far above market prices. Under the contracts the Government, first,

guaranteed financing of the development of the mine at a cost of \$3.8 million; second, used public money to build a \$22.8 million smelter; third, advanced \$3.7 million working capital; and fourth, gave the Hanna combine an option to buy the plant at salvage value at the completion of the contracts—although the plant would have a usable life of 20 to 30 years.

The shocking thing about the contract was a contract provision which insured secrecy of its terms. In my speech I stated that, "Private enterprise is wonderful when the Government puts you into business, guarantees a fat profit, and then provides a clear title to the property the Government has built. It could be that Hanna provided the know-how. Hanna sure did—the know-how to milk the taxpayers."

Subsequently, the General Accounting Office rebuked the previous administration on this unique contract and recommended legislative changes to prohibit a repetition of the Hanna fiasco. I have sponsored legislation to put an end to this kind of business and hope Congress will pass upon it during the next session.

TANK PLANT REOPENED

One of my happiest days occurred on September 14 when the Department of Defense announced that large production contracts for the T-114 armored personnel carrier and the T-195 and the T-196 self-propelled howitzers would be carried out in the Cleveland Tank Plant. On September 18, I was pleased to announce the possibility of the establishment of another production line of the M-113 airborne tank at the Cleveland Ordnance Tank Plant.

For years I have advocated the use of the tank plant for defense production. In the autumn of 1959, I began extensive research on bidding techniques which discriminated against publicly owned production plants like the Cleveland Tank Plant, which was built and tooled at a cost to the taxpayers in excess of \$32 million. In the meanwhile, plush contracts were being diverted to California plants which were already receiving over one-fifth of the defense expenditures of the Nation.

In the summer of 1960, I brought the matter of "rigged contracting" to the attention of the Armed Services Investigating Committee, which, after extensive hearings, completely sustained my charges. Subsequently, the General Accounting Office prepared a comprehensive criticism of costly procurement practices which failed to use publicly owned facilities like the Cleveland Ordnance Tank Plant. On March 8, I organized a "Pentagon" conference with Defense Secretary McNamara on the future use of the tank plant. He quickly recognized the special unemployment problem confronting Cleveland because of heavy reliance on steel and the automobile production industry. He indicated that Cleveland deserved special consideration.

While I engaged in a bitter effort to reopen the Cleveland Tank Plant and bring thousands of new jobs to the city, the Cleveland Chamber of Commerce

was recommending that the huge plant be sold and used as a storage-warehouse for imported merchandise.

The reopening of the tank plant will ultimately result in 5,000 to 6,000 permanent jobs in the plant alone. Subcontracts will spread throughout northern Ohio to favorably affect almost 30,000 additional workers. The reopening of this plant may of itself remove from Cleveland the unhappy stigma of being an area of substantial labor surplus. New industries will enter the Cleveland market. Established industries will "firm up" in their productive capacity and employment outlook. Cleveland will again move forward as it should—as a dynamic center of American research and production. I am glad I could help in this vital cause.

FEDERAL FACILITIES

In September, the new \$23 million Brecksville Hospital, with its 994 beds in 16 major buildings, was dedicated as one of the finest veterans' facilities in America. When it is fully occupied, a total of 1,350 Clevelanders will be employed there and at the nearby VA tuberculosis hospital in Broadview Heights. Meanwhile, construction should soon appear above ground on the Wade Park Veterans Hospital which will have 800 beds at an approximate cost of \$18,500,000. The Wade Park Hospital will be for medical, general, and surgical cases.

The construction of these hospital facilities will do more than provide needed services to veterans in northern Ohio—they will provide research and training facilities for the entire medical community. In addition, thousands of Clevelanders will find permanent employment in these facilities.

Construction will soon commence on a 30-story, \$47 million Federal building on the armory site on Cleveland's mall. The progress on this proposal is remarkable since I initiated the project in the winter of last year. This new Federal building will not only consolidate Federal functions from 33 scattered locations, but it will also provide space for new Federal agencies. During this session of Congress, I spoke on several occasions in support of proposals to relocate Federal offices outside the congested Washington area. Just recently, I urged the Internal Revenue Service to relocate the data-processing center in Cleveland. The availability of Federal office space will facilitate the movement of other Federal activities to Cleveland.

In order to insure stronger community life in Cleveland, it is highly important to develop a payroll base not entirely dependent upon industrial production. Such diversification will serve to cushion the problem of periodic recession and unemployment in the steel and automobile industries which have had a disastrous effect upon our city's economy.

In addition to these projects, I appeared before committees to urge appropriations to improve the port of Cleveland. Congress appropriated almost \$1 million this year to improve the Cleveland harbor breakwalls, channels, and bridges. An engineering survey was also authorized to determine the feasi-

bility of the Tinkers Creek Dam in the Bedford Metropolitan Park. In addition to eliminating flood conditions on the Cuyahoga River, this dam would provide a 140-acre lake for public fishing, swimming, and recreation.

GAS RATES

Cleveland is currently engaged in an effort to resist increased gas rates which persist in a steady pattern upward. While Cleveland enjoys gas rates which compare quite favorably with those around the country—my Washington experience indicates heating costs are twice as high for less living space than I have in Cleveland—with milder temperatures—we must fight to preserve this advantage. Much of the price increase we have suffered in gas prices has resulted from policies in Washington which constantly favor the gas industry. It now appears that the oil and gas industry still has powerful influence.

On September 20, I made a speech attacking the Chairman of the Federal Power Commission, Joseph C. Swidler, for his announcement of policies which would establish a field price for natural gas. This would permit the rigging of gas prices at the wellhead 1,500 miles away from the consumer, who would be helplessly stuck with the bill. The profit windfalls to the big oil and gas producers would be tremendous—all at the expense of consumers who would helplessly face a bill they could not fight or argue about. I hope that pressures will be generated to force the Federal Power Commission to back away from this giveaway.

AIR POLLUTION

In January, I appeared before the city council of Cleveland and protested the authority granted the steel mills of the Cuyahoga Valley to use the forced-oxygen process in steelmaking. The red dust pouring over southeast Cleveland was needless and was causing extensive damage to life and property—Cleveland's homemade version of fallout. Subsequently, I urged the Federal Division of Air Pollution to monitor the Cleveland problem.

Later I took the floor to vigorously support a tripling of the Federal expenditures for air pollution research and control.

Later this year, or early in 1962, I expect to bring the House Subcommittee on Air Pollution to Cleveland to determine whether Cleveland's steelmakers are attempting to keep their promise of pollution control of the filthy contaminants forced into the atmosphere in the oxygen steelmaking process.

CLEVELAND'S RAPID TRANSIT

As a member of the House Banking Committee subcommittee, I participated in hearings last June on the problem of mass transit. Keeping in mind the Cleveland problem, I emphasized the need of spreading mass transit help throughout the country.

On August 18, I supported Cleveland's pleas for a mass transit grant in the sum of \$7 million to complete the airport rapid extension. I urged Dr. Robert Weaver, head of the Housing and Home Finance Agency to authorize this grant because it would permit Cleveland

to become the first major American city to make a direct link between air travel and a surface rapid transit system. Cleveland will undoubtedly receive Federal help in solving its mass transportation problem—but it will take work—much more work for the city officials and the Congressmen.

With the reopening of the Cadillac Tank Plant, the airport rapid transit is even more important as a transportation link for the thousands of employees who will work at the plant.

NEW APPOINTMENTS

It was with mixed emotions earlier this year that I "lost" my able Washington office assistant, Gene Krizek. Gene was chosen by the Kennedy administration to head up the Special Liaison Office of the Department of State. His new work keeps him "jumping" between the White House and the State Department.

I was proud also to participate in the appointment of Merle McCurdy, the "public defender," as District Attorney for the Northern District of Ohio. He is eminently qualified and should establish one of the finest records in America.

The appointment of assistant county prosecutor Bernard J. Stuplinski, of Newburgh Heights, as first assistant district attorney was also a great recognition for the 21st district.

WHEN CONGRESS ADJOURNS

When Congress adjourns, I shall be available almost daily at my Cleveland office, 506 Federal Building, on Cleveland's Public Square. The telephone number is CH 1-7900. My staff and I will be available to meet constituents and carefully consider any special problem or matter relating to the Federal Government. I will try to personally meet everyone who calls. One of the most important functions of a Congressman is to personally discuss the effect Federal laws have upon the citizen, as well as the needs for new legislation. It is from these discussions that I can learn the effectiveness of Federal laws and their administration.

It is also my intention to attend public meetings in various parts of my congressional district to personally discuss legislative matters at a time and place convenient to my constituents. If I am to legislate wisely, I must keep in close touch with my community in order to understand its problems and explain what I must do as a legislator.

MASTER INSTITUTE OF UNITED ARTS, INC.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 30 minutes.

Mr. RYAN. Mr. Speaker, before the adjournment of this session of the 87th Congress, I wish to anticipate the 40th anniversary of one of the most unique museums and centers of artistic endeavor in our Nation—the Master Institute of United Arts, Inc., located at 310 Riverside Drive in New York City. On the eve of this anniversary, which will be celebrated in 1962, I also want to pay tribute to the director, Mrs. Nettie

S. Horch, whose charm and devotion to the arts pervade the institute, and to Louis L. Horch and their children, Oriole H. Farb and Frank Horch. The community is indebted to this public-spirited family not only for their contribution to our cultural uplifting but also for their good neighbor policy which has reversed the tide of urban obsolescence and deterioration. Later I shall discuss more fully this good neighbor policy.

AN OASIS OF CULTURE

From the moment of its founding to the present day, this museum has expressed a new purpose and attitude. It has believed in new methods of bringing cultural opportunities to all citizens and has enriched the lives of the people generally. It has not served a limited group.

Experience has proved that those connected with the Master Institute of United Arts have striven to utilize means of active interpretation of subjects by exhibits, by lectures and gallery talks, by classes, and a wholehearted sharing in community betterment.

Founded in 1922, to further all branches of the fine arts, the institute offers a class and private instruction for adults and children under a distinguished faculty, and presents series of lectures, recitals, operas, and dramas.

The Riverside Museum, a unit of the Master Institute, arranges and presents group exhibitions by contemporary artists in its spacious galleries. The exhibitions are given monthly from October to June, daily and Sundays from 1 to 5 o'clock in the afternoon, and are open to the public. Outstanding artists currently exhibiting in the museum conduct forums and discussions on various phases of the arts.

The Master Institute Building, a 29-story modern structure, is situated on one of the beauty spots of Riverside Drive in New York City. It was erected in 1929 and has always had as a basic purpose the expansion of the educational program. The erection of the building marked a new step in adult education by combining living quarters and cultural activities under the same roof. The building is an architectural landmark of New York—the first to use corner windows.

The present director of the institute is Mrs. Nettie S. Horch. To quote an article from the West Side Profile of November 1960, will emphasize my feeling for this institution and its director:

The Master Institute of United Arts adds an air of distinction to our West Side. This oasis of culture overlooks picturesque Riverside Drive near 103rd Street.

Concentrated under its roof is a wealth of varied entertainment. A satisfied reflection of accomplishment is revealed in this modern center and continually expanding efforts are being made to enhance its offerings. It is one of many worthwhile attractions dotting an impressive area.

The Master Theater, in the building, affords splendid opportunities for students of opera, music, dance, and drama for expression in public of their creative efforts. The theater proper has a seating capacity of 286 and is fully equipped.

It should be emphasized that the institute is a nonprofit organization, and its income from the living quarters in the building goes toward the maintenance of the museum and its adult education facilities.

The Master Institute of United Arts is a prime example of how valuable art institutes and galleries in the United States have proved in building our civilization. In general, collections must be established to be enjoyed, even by their possessors. They represent the concrete efforts of devoted patrons to share their discoveries with their fellow citizens. The art of collection has been well developed at the institute, and all its benefactors have joined hands to give us an outstanding artistic heritage. Public access to stored riches has been generously provided. Ideals of democracy unquestionably have reacted strongly at the institute where the educational value is paramount.

It has been said that museums are education. With this statement, as applied to the institute, I wholeheartedly agree. Museums and galleries exist only to further education; they can be neither provided, maintained, nor utilized without education. And, Mr. Speaker, education is the preparation for living—living the good and complete life.

During the 1920's and the serious depression which followed in the wake of those years the Master Institute offered its light as a beacon to those who labored for new world progress.

It is more than significant that during the 1930's reports of all branches of the institute revealed vast progress in all directions. The students of all its classes remained vividly interested. Their discussions continued to be animated and profound. The atmosphere of beauty in the institute was a constant source of inspiration.

During these years much of the culture in our way of life of necessity was deserted for the breadlines. The institute remained a beacon to a way of life which enriched all those who came in contact with its many facets. Through the generosity of friends, the Master Institute was enabled to present scholarships in its department for the blind, etching department, a scholarship in the name of Deems Taylor, the violin department, and one to a South American student. Areas covered were piano, violin, cello, voice, harmony, music appreciation, composition, counterpoint, orchestration, pedagogy, dancing, dramatic expression, painting, etching, sculpture.

In November 1939, the late Sol Bloom, of New York, who formerly represented the congressional district which I now have the honor to serve, on the floor of the House, paid tribute to the promotion of the cultural arts in New York City and the exhibitions in the Riverside Museum, Master Institute of United Arts, Inc. I would like to recall some of Congressman Bloom's remarks, which are as applicable today as when he spoke in 1939:

The Riverside Museum has become a vital part of the city's educational and cultural life. It affords the 200,000 permanent resi-

dents of the neighborhood, the students of Columbia College, Barnard College, Teachers College, New York University, and the thousands of visitors to Riverside Drive an exceptional opportunity for the study and appreciation of contemporary American and European art as well as ancient examples of the Far Eastern culture.

It is the only museum of its kind on the upper West Side of Manhattan and supplements the permanent collections of the American Museum of Natural History at 79th Street, the New York Historical Society at 77th Street, the Museum of the American Indian at 105th Street, and the Cloisters branch of the Metropolitan Museum of Art at 190th Street.

The principal and primary purpose of the Riverside Museum is to encourage contemporary American art and its artists by holding large and important exhibitions representative of the various trends in painting and sculpture throughout the country, as well as to import representative collections of merit from Europe, Asia, and the Latin American Republics. It is the intention of the trustees to augment the permanent collection of the museum with acquisitions of outstanding excellence in the departments of painting, sculpture, and the graphic arts.

It is indeed gratifying to realize that in these troubled times there is an institution that not only serves the cultural needs of the community but endeavors to promote international good will through its diversified program of activities.

INTERNATIONAL EXHIBITIONS

The museum has given as many exhibitions as any museum in the country. It has been made available, always at a no-cost basis, to groups who otherwise could not exhibit. For example, in the 1920's it was the only museum which exhibited abstract art.

The museum is the first to present a comprehensive showing of Puerto Rican art. Mr. and Mrs. Horch personally selected an exhibition of paintings, woodcuts, and ceramics done by the artists of Puerto Rico. It was presented in 1957 to show the cultural activities of the Puerto Rican people, and 11 artists were invited to visit New York City.

In 1958 it had an exhibition of Lithuanian art, and one of the sponsors of this exhibition was the then Senator John F. Kennedy. Stuart Preston, art critic for the New York Times, in the issue of September 7, 1958, had this to say about the Riverside Museum exhibition of Lithuanian art:

This year's art season is getting off to an unusual start. Customarily, its arrival, right after Labor Day, is heralded by a flutter of group shows. But for some reason that traditional order of procedure has been set aside. Most galleries are still closed. The single other major event of the week takes place at the Riverside Museum, where the first Lithuanian international art exhibition gathers together work in various mediums by contemporary Lithuanian artists, both here and abroad.

Its breeding ground, having been swallowed up by the Soviet Union, Lithuanian art is an art of exile which, as the Riverside Museum's exhibition demonstrates, still manages to cling, consciously nostalgic or not, to its roots. Most of the artists represented here studied either in France or in this country but, on the whole, their work has a flavor that can only be considered national. This flavor, a literary one, takes the form of a poetic apprehension of human and nonhuman forces. It turns away from abstraction to illustrate, humorously

or unhappily, the world and its ways, and always with a certain sense of uneasiness. In these respects one must remember that the two best known Lithuanian-born artists are Soutine and Ben Shahn.

Lithuanian artists appear to be particularly strong as printmakers and the graphic arts make up the best single department in the present show.

Another example of art from another country was the exhibition of Ein Hod artists—now a leading Israel art movement—consisting of paintings and graphics of the Ein Hod artists' village in Israel. The vision and dedicated efforts of its founder, Marcel Janco, transformed a deserted village into a vital art colony. Ein Hod, situated in the Carmel Hills, overlooking the sea, is a self-governing, integrated village where approximately 70 artists of different backgrounds live and work.

Mrs. Nettie S. Horch, director of Riverside Museum, selected the exhibit of Ein Hod works during a visit to Israel, in collaboration with a jury from the village. The exhibition at Riverside Museum represented the best examples by the younger Israel artists who are creating their own art medium and expression out of their experience in that dynamic, new democracy.

Another example of the museum's contribution to international good will was its exhibit in 1940 of a Latin American Exhibition of Fine Arts. President Franklin D. Roosevelt wholeheartedly supported this exhibit and said the following in the museum catalog:

All cultural efforts to promote the mutual understanding of the Americas have my interest and hearty support.

It is appropriate to say a further word about some of the other aspects of the institute. For example, the theater has made possible numerous community meetings. Also it has made possible many fine cultural events. Various national groups have presented programs of their native dances and songs.

ADULT EDUCATION

One of the most impressive aspects of the institute is its excellent adult education program. Classes in the arts, dancing, singing, painting—all conducted at nominal cost—and lectures open to the public give to the participants remarkable avenues of education.

The emphasis upon adult education, from the roots of culture of the institute, is of tremendous benefit to humanity. The attendance has been large, but has by no means been beyond the capacity of the splendid staff and the facilities of the museum to handle. The subject matter of the lectures, the seminars, the forums, the concerts, and the entire school department is completely planned and skillfully presented. The general lecture program is well developed. The resources of the museum give the visual side of the educational work meaningful stature.

The educational relationship that exists between the museum and the public differs from that of other institutions. It is national for the museum to carry out education through participation by adults in cultural activities. The concept of self-organizing groups using the

facilities and the contributions of the fine staff give fundamental character to the school department and to the adult education department of the institute.

I would like to emphasize that the Master Institute is recognized by the Board of Regents of New York State and has been given an absolute charter. It is one of the very few private institutions to have such a charter.

COMMUNITY RENEWAL

A rather unusual chapter in the history of the Master Institute might bear the title of "Community Renewal," and the simple facts of this fascinating story follow.

During the past few years the Master Institute has played a vital role in the rehabilitation of its neighborhood. By 1959 urban blight had spread to the museum's front door. Many deteriorated dwellings were to be found within a few blocks. At that time, as Democratic leader of the area, I was vitally interested in stemming the spread of slums and, along with the Riverside Democrats, had been urging the city of New York to initiate a pilot neighborhood conservation project on 103d Street. We were told that the city would provide a variety of special services if funds for a staff and site office could be raised.

To the everlasting gratitude of the neighborhood Louis L. Horch, a man of vision and compassionate understanding of the needs of the community, offered to help. The city's first experimental neighborhood conservation program—the Bloomingdale conservation project—was born. It was approximately 2 years ago that Louis L. Horch became its first chairman, to be later succeeded by his son, Frank Horch.

The Master Institute generously put up the sum of \$20,000 to staff the neighborhood conservation program, which was founded on the principle of close cooperation by city agencies and community groups in the rehabilitation of slum buildings through code enforcement and other means. The city took over some of the most deteriorated buildings, and social services were made available to the community. In addition to its initial contribution of \$20,000, the institute gave an additional \$25,000 and, at the same time, made its facilities available to the entire program.

This community project speaks for itself in no uncertain terms. Its accomplishments are a tribute to the Master Institute and the Horch family—good neighbors all.

OFFICIAL RECOGNITION

In October 1957, the Riverside Museum and its director for the past 20 years, Mrs. Nettie S. Horch, were honored by the city of New York. At a testimonial meeting at the museum the educational aid to the mayor of New York City presented a scroll which cited Mrs. Horch and the museum for their "cooperation with artists' associations, their encouragement of our American artists, and their aid in the cultural education of our citizens without cost to the city."

As the 40th anniversary of this unusual institution approaches, it is a pleasure for me to recount the past history and accomplishments of the Master

Institute of United Arts. I am sure that the plans envisioned for the future will meet with even greater success under the continued guidance of Mrs. Nettie S. Horch.

PROGRESS REPORT ON THE OPERATION AND ADMINISTRATION OF MAJOR FEDERAL REGULATORY AGENCIES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arkansas [Mr. HARRIS] is recognized for 30 minutes.

Mr. HARRIS. Mr. Speaker, it is my privilege and I feel my responsibility to bring to the House a progress report on the operation and the administration of the laws provided by this Congress for the major Federal regulatory agencies.

Mr. Speaker, it will be recalled that some year or more ago when the Committee on Interstate and Foreign Commerce brought to this House the first major legislation as a result of the activities of our study previous to that time, I advised the House something of the recommendations which we had made and something of the consideration that had been given toward improving the processes of the major regulatory agencies that so vitally affect the economy and the welfare of all the people of the United States. I therefore decided to take this time to give this report.

I am gratified to be able to report to the House that the momentum toward regulatory agency reform has continued unabated during the first session of this Congress. I want to take this opportunity to discuss many of the improvements that have been made recently in the operations of the major regulatory agencies administering statutes under the jurisdiction of the Committee on Interstate and Foreign Commerce. The committee is charged by the Legislative Reorganization Act with exercising continuous watchfulness over the execution of various laws within its jurisdiction by the Civil Aeronautics Board, Federal Aviation Agency, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, Interstate Commerce Commission, and Securities and Exchange Commission.

The Members of the House are well aware of the importance to our economy and well-being of our people of effective regulation of certain vital industries. We are also keenly aware of the great public concern that has been generated in recent years by congressional investigations, private studies, and by such significant messages as President Kennedy's special message on regulatory agencies.

The last year or so has been more fruitful than any period of recent memory in putting into effect many of the recommendations that have been made as the result of hard and careful study of the strengths and weaknesses of the agencies. Not only has legislation been enacted in this session of Congress and the last, to provide for greater efficiency and more rapid dispatch of agency business, but the agencies, on their own initiative, have taken important action

to achieve these goals where such action was within their statutory powers.

At this appropriate time I want to outline for you the more noteworthy of the changes that have been made. Before I begin to consider each agency in turn, I would like to make a few more general comments.

Early in the present session of Congress, the Committee on Interstate and Foreign Commerce established the Special Subcommittee on Regulatory Agencies pursuant to a recommendation in the final report of the Special Subcommittee on Legislative Oversight submitted to the House on January 3, 1961. Generally, the purposes of the subcommittee are to keep itself informed as to current and future agency problems, to maintain continuing liaison with the respective agencies, and to make studies and recommendations to the parent committee respecting improvements in agency operations.

At this point I should like to mention the Communications Act amendments which became effective in the last session of Congress. These amendments are a direct outgrowth of hearings and recommendations of the Legislative Oversight Subcommittee, and they make several vital changes in the Communications Act of 1934. Among these are: First, prohibition of deceptive practices with respect to quiz shows and other purportedly intellectual contests; second, strengthening of the disclosure provisions of the act to combat the "payola" problem; third, abolition of the honorarium provision which, the committee believed, put Commissioners in an untenable conflict-of-interest position; fourth, granting to the Commission authority to issue broadcast station licenses for terms of less than 3 years where appropriate; fifth, the requirement that licensees give local notice of the filing of their applications for renewal and that local hearings on the application may be required where the Commission deems appropriate; and finally, sixth, a strengthening of the Commission's authority to prohibit payoffs among license applicants unless specified criteria are met.

To return to the present session of Congress, on April 13, 1961, President Kennedy submitted to the Congress his special message on regulatory agencies, setting forth, among other things, his intention to transmit to the Congress certain reorganization plans pursuant to the procedures established under the Reorganization Act of 1949, as extended in the present session. In April and May, reorganization plans affecting the SEC, FCC, CAB, and FTC were transmitted to Congress.

Much of the attention of the new subcommittee and of the parent committee has been devoted to consideration of these plans and how they would affect the agencies concerned.

You will recall that Reorganization Plan No. 2, with respect to the FCC, was defeated in this House with the passage of a resolution of disapproval on June 15.

You will recall that plan No. 1, dealing with the SEC, was defeated in the same way in the other body on June 21.

The reorganization plans for the CAB and FTC were allowed to become effective

and became effective on July 3 and July 9, respectively.

While the Subcommittee on Regulatory Agencies determined that Reorganization Plan No. 2, the FCC plan, was in certain respects defective, it was my belief and that of other Members of the House that the important objectives of the plan should be embodied in legislation. Accordingly, from May until late in August the parent committee and the Regulatory Agencies Subcommittee and their staffs worked in collaboration with the FCC to devise legislation that would achieve the basic aims of plan No. 2 while eliminating those features of the plan found objectionable. Similar work was done in the other body, and a bill to facilitate the prompt and orderly conduct of the business of the FCC became law as Public Law 87-192 on August 31, 1961.

I want to emphasize that this legislation went beyond the scope and purposes of Reorganization Plan No. 2. It made basic changes, which I shall mention in more detail later, in the manner in which the Commission functions in cases of adjudication.

While no reorganization plan dealing with the ICC has been transmitted to the Congress, we have enacted legislation, signed by the President on September 14, just last week, which provides the capstone for that Commission's program of delegation of functions to employee boards. I shall have more to say about this new act when I discuss the ICC's recent activities.

The other body has passed a bill, S. 2135, which would add flexibility to the operations of the SEC comparable to that which was sought in the defeated reorganization plan. That bill has very recently been referred to our committee.

Despite the fact that there have been differences between the Congress and the President on individual reorganization plans, there is, I think, considerable agreement about the evils to be remedied and the administrative and regulatory goals to be achieved. Differences over methods should not be allowed to obscure the fact that both the Congress and the Executive have certain responsibilities with respect to the operations of these independent regulatory agencies. As the final report of the Legislative Oversight Subcommittee—House Report No. 2238, 86th Congress, 2d session, 1960—stated:

It is recognized that effective reform of the administrative process requires teamwork between the Executive and Congress. In a time when united national effort is needed more than ever before in our history to improve the efficiency of our constitutional system of Government, it would be tragic to have a conflict develop between the Executive and Congress over the question of which branch has supreme control over the Federal agencies. In this field it must be recognized that the agencies exercise powers delegated to them by Congress and that Congress has the constitutional responsibility of supervising and overseeing their operations. It must also be recognized that the Executive has the constitutional responsibility of seeing to the faithful performance of the laws, including the laws creating and defining the activities of the agencies. Moreover, the President has the power of appointment and budget control. Enlightened self-interest

requires that these legislative and executive powers and responsibilities not be exercised as though they are in watertight compartments. Each impinges upon the other and an accommodation must be made whereby the executive and legislative powers are harmoniously exercised in the same direction; namely, the just, speedy, and efficient administration of the law for the benefit of the national public interest.

Throughout the period I have been discussing, there has been liaison between interested committees of Congress, the executive branch, and the agencies.

We have tried to keep our eyes on the important goals to be reached.

We have tried to avoid being bogged down over petty disagreements as to method. I believe that the results of this spirit of accommodation and teamwork have been, on the whole, impressive, and I hope that we can continue to exercise our respective responsibilities in accomplishing the large volume of yet unfinished business in this field.

I now want to proceed to a more specific discussion of some of the actual changes made by the agencies themselves.

In its report to the 85th Congress dated January 3, 1959, the Special Subcommittee on Legislative Oversight recommended that each agency designate individual commissioners to assume responsibility for the preparation of the decisions or opinions of the agency. Some agencies, including the Federal Trade Commission, have traditionally followed this practice. Most of the agencies with which we have been concerned, however, had adopted the so-called institutional decision whereby decisions were issued in the name of the agency as a whole. The committee felt that the mediocre and inconsistent decisions all too common in some agencies were traceable to this diffusion of responsibility. The committee believed that a sense of personal responsibility for decisions on the part of agency members would go a long way toward correcting that defect. I might add that many other students of the administrative process have agreed with the subcommittee's views in this respect.

It is gratifying, therefore, to report that of the six major Commissions with which we are concerned, only one to date has not yet adopted the practice of individual Commissioner responsibility for preparation of Commission decisions—at least in major contested cases. The exception is the Federal Communications Commission, and I am advised that that Commission has the matter under study and may well adopt this salutary reform in the near future.

The second principal type of reform which has taken place in recent months, and this is a type of reform strongly recommended by President Kennedy in his message of April 13, is the relief of agency members from concern with minor, relatively unimportant matters so that they may direct their time and energies to matters of major importance. There is no reason why agency members, appointed by the President and confirmed by the Senate, should be buried under a mass of detailed work of a minor

nature which can be done just as effectively and without sacrificing fairness by smaller units of subordinates within the agencies.

The reorganization plans and legislation aimed at accomplishing similar purposes embody the principle of authorizing agencies to delegate certain of their functions to panels of agency members, individual members, or responsible staff personnel.

It is of course possible that some of these new procedures may not work out as well as is now hoped, but the system of delegation, surrounded with adequate safeguards, seems to me preferable to the alternative of adding to the size of an agency every time its workload shows a significant increase. Our booming population, the rapidity of technological advance, and many other factors have added dramatically to the workload of our major regulatory agencies. It is up to the Congress and the Executive—through its budget control—as well as to the agencies themselves to insure that the resulting delays do not end in a complete breakdown of the regulatory process. Accordingly, our committee has given the foregoing reforms our support.

On June 6, 7, 8, and 9, 1961, the Committee on Interstate and Foreign Commerce held hearings on H.R. 14, a bill to promote the efficient, fair, and independent operation of the CAB, FCC, FPC, FTC, ICC, and SEC. H.R. 14 is ultimately an outgrowth of a recommendation in the final report of the Subcommittee on Legislative Oversight. A substantially identical bill—H.R. 12731—had been reported favorably by the full committee in the 86th Congress but no further action was taken on it.

I want now to mention certain additional steps that have been taken, mostly by the agencies themselves, toward greater managerial efficiency.

CIVIL AERONAUTICS BOARD

The Civil Aeronautics Board, pursuant to authority granted it by Reorganization Plan No. 3, is now in the process of preparing regulations looking toward delegation of certain Board work in non-hearing matters and in certain hearing matters in the economic and safety fields.

In addition, under its existing statutory authority, the Board has strengthened the role of the Executive Director in improving procedures and expediting the Board's work.

It has created a new Planning Office under the Executive Director to aid in developing substantive and procedural policy.

It has established two new bureaus: a Bureau of Economic Regulation and a Bureau of International Affairs, to replace the Bureau of Air Operations. The aim here is to achieve more effective regulation in certain areas of growing importance—for example, commercial rate matters, licensing and carrier agreement activities, and negotiation of bilateral air agreements.

I have already mentioned the adoption by the Board of the practice of assigning opinion writing responsibility to individual Board members.

In addition, the Board has set up a Procedures Committee consisting of the

Chief of the Bureau of Economic Regulation, the General Counsel, the Chief Hearing Examiner, and the Chief of the Bureau of Enforcement.

The Board has supervised the establishment of a Practitioners' Advisory Committee composed of practitioners representing every type of interest affected by the Board. The Procedures Committee and the Practitioners' Advisory Committee are currently working together to reexamine Board procedures and to explore possible improvements.

The Board has established an Office of Community Relations whose purpose is to provide greater informality in relations between the Board and communities served by regulated carriers with a view toward better service.

Finally, the Board has directed the preparation of a monthly internal management report for the purpose of keeping itself informed of the exact status of pending business and thus of more efficiently attacking its workload.

FEDERAL AVIATION AGENCY

Some time ago the Administrator of the Federal Aviation Agency arranged for a special task force to conduct a study of the Agency's regulatory and enforcement activities and to make recommendations to the Administrator for improvement of the Agency's organization and procedures. The report of this group is expected within the next few weeks.

With respect to the problem of tall antenna towers concerning which there was some conflict between the FAA and the Federal Communications Commission, it is gratifying to know that these two agencies have reached an agreement on measures to insure coordination of their respective statutory responsibilities in this area. This is an excellent example of the progress which can be made as a result of cooperative effort.

In addition, the Administrator has recently announced that the Agency's safety rules, many of them inherited from earlier agencies and many of them out of date, will be simplified and codified. Obsolete rules will be eliminated and the Agency's intention is to write the new rules in language which can be understood by those affected. I hope the Agency will be able to achieve these aims. If so, other agencies could well profit by the example.

FEDERAL COMMUNICATIONS COMMISSION

As I mentioned earlier, Public Law 87-192, a bill to facilitate the prompt and orderly conduct of the business of the Federal Communications Commission, became effective August 31, 1961. It amends the Communications Act of 1934 to permit the Commission to delegate certain review functions to a panel of Commissioners, an individual Commissioner, or a three-man employee board. Further review by the Commission is made discretionary. It is believed that these changes in the act will not only expedite the handling of the Commission's tremendous workload but will enable the Commissioners to devote much more of their time to matters of major importance, such as the spectrum allocation problem and the establishment of a communications satellite system.

Another amendment will enable the Commission's Office of Opinions and Review to make recommendations to the Commission on pending matters, thus removing a statutory inhibition which had proved wasteful and inefficient.

Still another amendment will permit the Commission to avail itself of the services of trained personnel in the Office of General Counsel and the Office of Chief Engineer in cases where such personnel have not engaged in prosecuting or investigating functions. The new act thus repeals certain of the restrictive 1952 amendments to the Communications Act and returns the FCC to the standards of the Administrative Procedure Act which governs all other agencies.

The Commission is proceeding cautiously in exercising the new authority given it by these amendments.

I believe that this authority will prove to be extremely helpful in improving both the efficiency and the quality of the Commission's work.

FEDERAL POWER COMMISSION

I have alluded to the fact that the Federal Power Commission is one of the agencies which this year adopted the practice of assigning to individual Commissioners the responsibility for the preparation of Commission opinions in major contested cases.

Recently the Commission made a number of significant organizational changes. It transferred all electric rate regulatory functions from the former Bureau of Rates and Gas Certificates to the Bureau of Power, and it changed the designation of the Bureau of Rates and Gas Certificates to the Bureau of Natural Gas. Thus all natural gas regulatory functions have been separated from all electric regulatory functions. The Commission will now be able through the new Bureau of Natural Gas to give its undivided attention to dealing with the mounting backlog of natural gas pipeline and independent producer rate filings and rate cases. In the electrical field the combination of all electric power regulatory functions under one bureau should facilitate program planning and control.

These kinds of changes are long overdue and have been recommended time and again.

In addition, the Commission has redesignated the Office of Chief Accountant as the Office of Accounting and Finance and transferred the functions relating to power reports to the Bureau of Power, where in my opinion they properly belong.

Finally, the Commission has established a separate Office of Economics, reporting directly to the Commission. This Office was formerly a division of the old Office of Chief Accountant. My understanding is that its functions will take on new importance, and I might add that there is no small need for accurate information as to the economic effects of regulation in the electrical industry and particularly in the rapidly growing natural gas industry.

FEDERAL TRADE COMMISSION

Reorganization Plan No. 4, affecting the Federal Trade Commission, became

effective on July 9, 1961. At the present time the Commission is studying ways and means in which the authority granted by the reorganization plan can most effectively be used to carry out the purposes of that plan.

Prior to the taking effect of the plan, however, the Commission made extensive internal changes which, it is believed, will be useful not only in speeding up the Commission's activities but in making the work of the Commission's staff more effective and responsible.

The FTC has abolished the old Bureaus of Investigation and Litigation. In their stead it has substituted a bureau to handle antimerger and other restraint-of-trade matters and a bureau to handle false advertising and other deceptive practice matters. As of this change, a single senior attorney will be responsible for the processing of each case from its inception through its conclusion. Formerly, cases at the Commission were bounced from the Bureau of Investigation to the Bureau of Litigation and handled by individuals in those respective bureaus. It is the Commission's hope that having the same individual ride herd on a case from the beginning will go far to cut down the time required for dockets to work their way through the Commission.

The Commission has also created a bureau to supervise the activities of field investigators located in the Commission's 10 field offices.

A separate bureau has been created to police the textile and fur labeling statutes.

Still another new bureau has been organized within the Office of General Counsel to negotiate consent orders, a function which had previously been performed by the Office of Hearing Examiners. It is anticipated that this transfer of functions will enable examiners to devote more of their time to the hearing of cases and to the preparation of decisions.

INTERSTATE COMMERCE COMMISSION

The Interstate Commerce Commission since the beginning of this year has moved dramatically to increase the efficiency with which it disposes of its enormous workload.

Review by the full Commission is now limited to: First, matters of "general transportation importance"; second, proceedings in which a division of the Commission reverses or modifies an examiner's recommended report; and third, proceedings in which a division makes the initial decision.

It has reduced its paperwork burden by reducing, from 15 to 7, the number of copies of most petitions required to be filed.

It has added to the 4 employee boards existing at the beginning of this year 12 new employee boards. The Commission estimates that these boards will be able to handle some 28,000 nonhearing matters a year. These matters include carrier consolidations, issuance of securities, construction of railroad lines, safety devices, and many others.

The Commission has reduced the number of its divisions from 4 to 3.

Many important executive and administrative duties, including appointment and supervision of most personnel, assignment of personnel to various tasks, and expenditure of funds, have been delegated by the Commission to the Chairman.

An office of Vice Chairman has been created to assist the Chairman in the performance of his duties. The Commission has delegated to the Vice Chairman the authority and duty to institute investigations.

The Director of the Bureau of Inquiry and Compliance has been granted by the Commission broad authority to institute civil injunction proceedings involving rail, motor, and water carriers, oil pipelines, and freight forwarders. It is believed that the Commission's enforcement and compliance responsibilities will be carried out much more effectively in this way.

Finally, the ICC has joined most of the other agencies in assigning responsibility for preparation of opinions to individual Commissioners.

In addition to the employee boards for nonhearing cases that have been established by the Commission under its existing authority, the Commission sought additional legislation to enable it to create employee boards to review exceptions to the recommended reports of examiners in cases where hearings have been held. The Interstate Commerce Act until this month required that such exceptions be considered by a division of Commissioners. On September 14, 1961, Public Law 87-247 was signed by the President. This is the legislation I referred to earlier. The new act is an amendment to section 17 of the Interstate Commerce Act and authorizes the Commission to create employee boards to review exceptions. The Commission estimates that with this new authority 3 Commissioners will be relieved of the work of reviewing some 1,600 hearing cases a year and will thereby be able to devote a greater portion of their time to more important matters.

SECURITIES AND EXCHANGE COMMISSION

The Securities and Exchange Commission is another of those which earlier this year adopted the practice of assigning responsibility for preparation of opinions to individual Commissioners.

It is my understanding that the Commission is studying a recommendation contained in the report of Booz, Allen & Hamilton, management consultants, that it lodge the present enforcement and compliance functions of the Division of Trading and Exchanges and the Division of Corporate Regulation in two new bodies—an Enforcement Division and a Compliance Division.

I have already referred to the legislation now pending in Congress which would authorize the SEC to delegate certain of its functions in much the same manner contemplated by Reorganization Plan No. 1 which was defeated in the other body.

Also worthy of mention is the forthcoming investigation of the Nation's security exchanges and over-the-counter markets which has recently been authorized by Congress. In view of the

importance to our free economy of these delicate financial institutions, it is imperative that the investigation be conducted not only with thoroughness but with intelligence and scrupulous fairness. The committee will be taking an active interest in that investigation.

CONCLUSION

The encouraging developments just outlined have involved primarily the organizational and procedural aspects of the regulatory agencies. As I have suggested, much still remains to be done in those areas. It is obviously desirable that the agencies function as efficiently and effectively as possible.

But we must not forget that procedural and organizational issues are closely intertwined with matters of substance. We must not lose sight of what the agencies must do, in our efforts to improve how they do it.

The Subcommittee on Legislative Oversight was created for the purpose of informing the Congress and the agencies of the need for corrective action with respect to the laws and their enforcement. The apathetic, indifferent manner in which certain laws had been administered by some agencies is now a matter of record. Following any such period of ferment and upheaval must come a period of relative calm—a time for taking stock, a time to consider new approaches and to chart new courses of action. The past few months have been such a period.

As chairman of the Committee on Interstate and Foreign Commerce and of the Special Subcommittee on Regulatory Agencies, I pledge to this House that our efforts to bring about further improvements, not only in organization and procedure of these agencies but in the substance of economic regulation, will be carried forward in the months and years to come. To illustrate from one field only, the regulation of broadcasting, the committee will have for its consideration in the next session such thorny problems as the VHF-UHF deintermixture and clear channel problems, network regulation, and control of trafficking in broadcast station licenses.

The committee also has before it for consideration in the next session a number of measures designed to cope with our national transportation crisis. Congress long ago assumed responsibility for the development, coordination, and preservation of a national transportation system by water, by highway, by rail, and by other means. No Member of the House needs to be reminded of the essential importance of finding solutions to the bewildering array of problems confronting our railroads, air carriers, motor carriers, and other modes of transportation. Studies have been completed or are now in progress by other committees of Congress, the Department of Commerce, industry groups, and others. The Committee on Interstate and Foreign Commerce intends to do its full share in the great cooperative effort to make our transportation system one of which Americans can be proud.

I am pleased to have been able to report to you the encouraging progress

that has been made with respect to these Federal regulatory agencies. But while we may take great satisfaction in the advances of the past few months, we must always remember that our job is never done. As a wise man said long ago: "The day is short and the task is great. It is not incumbent upon thee to complete the whole work, but neither art thou free to neglect it."

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois, a member of the committee, who has done such a magnificent job with us on the committee in this field.

Mr. MACK. Mr. Speaker, I would like to take this opportunity to commend the distinguished chairman of the Committee on Interstate and Foreign Commerce on the work he has done and especially on the outstanding work he has done with the regulatory agencies.

I have been a member of the Interstate and Foreign Commerce Committee for 10 years. In my opinion the legislative accomplishments this year were greater than any other year since I have been a member of that committee.

Mr. Speaker, I think the work that the Legislative Oversight Committee did under the leadership of the distinguished chairman contributed much to the operation of our regulatory Commissions. As a result of this investigation the operation of these Commissions have been greatly improved.

Mr. Speaker, now the work that the chairman is doing to further improve the operation of these Commissions is something that needs to be done. It is a thankless task. I want to say again, Mr. Speaker, that the chairman of the Interstate and Foreign Commerce Committee is doing an outstanding job as chairman of the Legislative Oversight Committee.

Mr. HARRIS. I thank the gentleman, and I want to thank him and all other members of the committee for the cooperation and splendid work that has been done in this field, and I am very glad to say that we have done some things that were needed. Our objective was to find inadequacies in the law and see how we might improve and strengthen these agencies. We have done a great deal in this field, and they have done a lot. Everyone is bending their efforts to the job to be done. I am very pleased with the results that have been accomplished thus far; the administration of these laws by all of the agencies is being carried out now, quite effectively and the efforts are being made to really do a tremendous job for the people, as they were supposed to do under the law.

DR. FRANK L. BOYDEN, OF DEERFIELD ACADEMY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. CONTE] is recognized for 30 minutes.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that my colleague,

the gentleman from Massachusetts [Mr. McCORMACK] be given permission to revise and extend his remarks immediately following my discussion here.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONTE. Mr. Speaker, I am deeply grateful for this opportunity to pay tribute to my close friend and much-admired constituent, Dr. Frank L. Boyden, of Deerfield Academy. My association with Dr. Boyden over the past years has more than confirmed to me the excellent reputation he enjoys not only in New England, but throughout the educational world. For 60 years, the respected headmaster of Deerfield Academy has worked unrelentingly on a most dynamic research project. A citation presented to the headmaster by Yale University on the occasion of his being awarded an honorary degree aptly described this project as "research into the hearts and minds of youth."

To be sure, few educators in the Nation today are able to look back on such an accomplished, event-filled career as can Dr. Frank Boyden. It is no wonder that the much-traveled author, John Gunther, chose his friend, Deerfield's headmaster, as "The Most Unforgettable Character I've Met" in his contribution to that popular Reader's Digest feature in 1951.

When this native of our State came to Deerfield from Amherst College in 1902, he little knew what a significant part he was to play in the education of boys from all parts of the world in the years ahead. Actually, his explicit intention was a 2-year teaching position at Deerfield simply to earn enough money to enter law school and eventually to seek a political career. This 2-year sojourn, however, was to extend into a lifelong career building what is now one of America's great independent preparatory schools. At the time of his arriving, Frank Boyden served as principal and only faculty member for the entire enrollment of 14 students in an already outdated structure. The school was a 4-year "academy" founded by the community's citizens in 1797, and it had fallen into considerable disrepair. There was only one building and half of that served as the village library. Then, as if to insure that the new headmaster of Deerfield Academy would really earn his salary, the conscientious Deerfield citizens also made him the town librarian.

Two years after his coming, the new headmaster, in need of a teacher, reluctantly hired a recent Smith College graduate on a temporary basis. Several years later he married the new teacher, Helen Childs Boyden, who, to this day, contributes significantly to the life of the academy as the peerless teacher of mathematics and chemistry.

Even from the beginning, Frank Boyden showed the same zeal and persistency which are still so much a part of his life. From the start he assumed an enthusiastic interest in the school and the area he came to serve. Through his efforts the school became a focal point of many of the activities in the Deerfield area. In the early days, he even went by horse

and buggy to visit the people on their farms and in the villages—driven forward by a vital belief that every child should have a high school education. The people soon learned of Dr. Boyden's talented ways with young men, and parents in communities beyond the immediate area began to send their sons to board at Deerfield. At first, the boys lived with the Boyden family. Eventually, they were able to build a dormitory to accommodate 35, and there was very little trouble in filling it.

Perhaps one of the most characteristic and revealing incidents in Dr. Boyden's long life of service to Deerfield occurred back during the depression days. Once he and the trustees of the academy had released some loyal supporters from pledges to help build new buildings. But some of the uncollected money had already been spent on the building program, and it was then necessary to seek a bank loan. As John Gunther told the story:

Mr. Boyden drove to a nearby bank. The banker was even more frugal a Yankee than Boyden himself. He said, "You can have 5 minutes. But before you start, let me say that I will not, under any circumstances, lend money to the school."

Boyden, who is one of the mildest yet most persuasive men alive, replied, "You should be asking me to take your money."

"Why?"

"Because what my school stands for is what you stand for. Higher education in America has become seriously infected with a lot of ideas that you consider unsound. Why not invest in a preparatory school that has taught and will always teach the primary American virtues—individual initiative, individual responsibility, duty to the community, honest citizenship? I guess my 5 minutes are about up. Thank you very much."

The loan, needless to say, was approved.

I think probably one of the most surprising aspects of Frank Boyden's personality to those who meet him for the first time is his refusal to rely on a strictly "what's old is what's best for the boys" approach. Even at the age of 82, he is very definitely in touch with the new needs of a new world for youth. In the dynamic process of education, the headmaster is keenly aware of the greatly increased complexity and accompanying demands for a broad curriculum and up-to-date equipment. Dr. Boyden, by the way, is also a firm believer in extracurricular activities for the optimum development of well-rounded men, himself during his career, having served as head coach of the football team, the basketball team, and the baseball team.

Many, many honors have come to this distinguished educator. In addition to his 18 honorary degrees, he significantly holds the highest award of the Sportsmen's Brotherhood, as well as the Silver Buffalo of the Boy Scouts of America and the Distinguished Public Service Award of the U.S. Navy.

Today the seal of Deerfield Academy beneath the historic John Williams door, is the motto: "Be worthy of your heritage." And this, surely, is no small order for the entering freshman. The same kind of stamina and courage which mark the spirit of Dr. Boyden and the

history of the academy are characteristic of the people of this town. From the days of the first settlers in 1669, the citizens of Deerfield have shown an unusual ability to overcome difficulties in their efforts for a better community. As it was once observed:

All America is in this extraordinary village, with its courageous, bloodstained history. It is a spirit born in the hearts of those first pioneers, forged at Bloody Brook, tempered during the massacre of 1704, and baptized in the American Revolution.

That surely is a vital part of the heritage of the Deerfield Academy.

There is so much that one could say in a speech about Frank Boyden, Deerfield Academy, and the town and people of Deerfield. Least of all are we at a loss for praiseworthy events in the life of Headmaster Boyden. Perhaps the spirit behind those events was most eloquently described as "a reverence for the things in life that are really important, a zealous interest in the education of boys, and an intuitive understanding of their hearts." Or, as the townspeople once expressed it in presenting a wedding gift to Frank and Helen Boyden:

Much as we appreciate your service as the head of our school, you are still dearer to us because you are an upright, judicious, fearless, and patriotic citizen whose example and influence is always present to raise us above sectional prejudice, and to unite us in a broadminded endeavor to work for the good of the whole town.

And that quality in the person of Dr. Frank Boyden has decidedly not changed. Rather it has grown and developed until his reputation stands far beyond the limits of our own community, linking the name of Deerfield with the finest kind of secondary education available in the Nation today. He numbers among his friends the great and the near great, the rich and the poor. His influence is felt as a trustee of some 20 schools and colleges; indeed, he is presently serving as president of the board of trustees of our own University of Massachusetts. His insight and excellence have been recognized to the extent that Presidents Franklin Roosevelt, Harry Truman, and Dwight Eisenhower have appointed him to serve in ways affecting the welfare of the Nation at large.

From an enrollment of 14 under Frank L. Boyden, Deerfield Academy has grown and prospered to a total enrollment of over 500 young men—each of them still within the close personal range of the headmaster's individual attention and keen practical wisdom. The loyalty and success of Deerfield alumni are legendary in the educational world. Today, more than 20 schools are presided over by men trained under Frank Boyden. The philosophy of this unusual man cannot be contained in a textbook on educational methods. Rather, it is a working philosophy which reaches beyond the confines of words and definitions. Among educators, he is known as the headmasters' headmaster, and rare is that member of the teaching profession who would not welcome the opportunity to work under him. Here, indeed, is a teacher who "affects eternity; he can never tell where his influence stops"—Henry Adams.

Mr. DADDARIO. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I am delighted to yield to the gentleman from Connecticut.

Mr. DADDARIO. Mr. Speaker, I would like to associate myself with the gentleman from Massachusetts in the remarks he is making on Dr. Boyden and Deerfield Academy. This is a school which has contributed a great deal to the New England community. I have had associations with many of the boys who have graduated from it. In fact, I roomed at college at Wesleyan with a boy, Richard Bagg, who came to Wesleyan from Deerfield Academy together with two other boys, George Strobbridge and Arthur Clothier, all three of whom remain constantly in my mind because they were outstanding products of this school. All three of them contributed to Deerfield Academy and also to Wesleyan University, where they showed outstanding traits of character. All three of them went into the service and all were killed in the cause of their country.

They were outstanding boys, the kind of boys who were prepared for the battle of life. So it is with so many others who have gone to Deerfield, have gone to universities mostly in the New England area, and have contributed to the communities and their country. Many of them, as in the case of these three, even sacrificed to the ultimate for the good of their country.

This is a great school. The fact that the gentleman is mentioning it here today is very worthy of the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman from Connecticut. I am sure Dr. Boyden joins me in appreciation of those fine remarks.

Mr. RAY. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. RAY. I have two boys who graduated from Deerfield. I heartily endorse all that the gentleman has said.

Mr. CONTE. I thank the gentleman very much.

THE TREND TOWARD MOBOCRACY

The SPEAKER pro tempore (Mr. BOLAND). Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 30 minutes.

Mr. PUCINSKI. Mr. Speaker, we are about to adjourn this session of the Congress at a time when the entire world is in a state of turmoil, reminding us of the days immediately preceding World War II. The issues of this second half of the 20th century, confronting the Nation and the world, are so vast and so complex that they challenge the minds of men for understanding. It is for this reason I have taken this opportunity today to discuss with my colleagues an alarming growth and tendency in our own Nation and, yes, even in the world—an alarming trend toward, for the lack of a better word, mobocracy—government by mob rule. I think, as we prepare to adjourn and as we recognize the fact that there will be great problems confronting our Nation in the next 3 or 4 or 5 months that this subject, perhaps, needs

greater discussion because it would, indeed, be tragic if in the face of the complex structure of things confronting us today, our people were to fail to understand the depth of the problems and tried instead to follow a path of expediency, a path of impatience, and a path of mob rule. We are living in an era that tests the strength and courage of our Republic. We will need from our people a depth of understanding unparalleled in the history of this Nation. In recent years we have had many examples in this country of mobocracy. Frequently, we think of mob rule, and associate it primarily with matters of race conflicts and disturbances. Of course, we all recall the tragedy of Little Rock. But, actually, as we look across the length and breadth of this country, we see the impatience of people in conforming with the inherent, basic, and fundamental concepts of an orderly society and instead taking the law into their own hands in many instances and areas. Not too long ago, we witnessed the spectacle of a large group of people throwing rocks, eggs, and vegetables at a responsible member of government in the city of Philadelphia when the mayor of that city proposed a new source of revenue by a tax or license fee for automobile parking in certain of the city's streets at night. Now I do not know whether there was any merit to this idea nor do I care at this time to go into the merits of that question. But here we saw a group of some 2,000 people refusing to listen to a responsible member of government explain his program. Instead the police had to try to restore order in this assembly. Here, indeed, was a clear example of the impatience of people in recognizing the inherent fundamentals of a democratic system—the right to disagree but at the same time along with it, the obligation to disagree in an orderly manner.

Earlier, Mr. Speaker, we saw the assault upon the House Committee on Un-American Activities in San Francisco when that committee went there to hold hearings on the mounting increase in the distribution of Communist-sponsored mail in this country. We saw how those hearings were disrupted by mob rule, and we saw how the police had to come in and try to restore order.

Again, Mr. Speaker, for the purpose of this conversation, I do not intend to go into the merits of whether the House Committee on Un-American Activities was holding proper hearings or whether those hearings were justified. Certainly, this is a committee of the Congress of the United States.

It has a right to conduct its hearings in order to be better prepared to propose legislation to Congress; but the important thing is that here again we saw a demonstration of mob rule.

We have seen these demonstrations all over the country in various forms. This sort of mob rule manifests itself in many ways. Right now, for instance, all over this country we are receiving mail from people who are demanding that we impeach Supreme Court Justice Earl Warren; and, again, I do not question the fact that these people may in

their own minds believe that the Supreme Court Justice has conducted himself in an improper way—I could not support that theory—but again we see here the people being stirred up by making false issues, stating false facts to a great extent and being urged to participate in processes other than those that are proclaimed in our Constitution.

We see right now in these days an avalanche of mail coming in to Congress urging the Congress not to adjourn but rather to recess, and telling us that if we adjourn, this administration is going to turn the country over to the Communists and fantastic things along similar lines. Again we see here a manifestation of mob hysteria, of getting the people stirred up on issues that really are not so.

The point I am trying to make here today is that we Americans perhaps ought to take a closer look at our Bill of Rights, a closer look at our Constitution, and try to obtain a better understanding of what has distinguished our social order, the United States, from all other social orders in the world today. I recall the ancient Locrians were the first ones to give meaning to freedom of speech, but at a price that I am sure most of us would consider vastly too high; they would permit any citizen to speak on any subject he wanted to, but first they would place a noose around his neck, and if the crowd did not agree with what he said, he was promptly hanged. I am sure that this is not the type of democracy, this not the type of republic that we Americans want.

We have seen mob violence, for instance, instigated either by employers or unions on the picket line in labor disputes. Here again, is a manifestation of emotions of people who do not understand the depth and complexities of the democratic process which has preserved for this Nation a greater degree of freedom, a greater degree of dignity, than any other nation in the world today.

I think we should understand that there must be disagreement. The very vitality of democracy lies in that. The strength of a democracy lies in the fact that people may agree with the majority or disagree with that majority. But this must be done within a set of ground rules laid down by our Founding Fathers many years ago which guarantee respect for our individual views and further guarantee—a social order that gives every single individual in this country the right to disagree.

I think we should understand in these critical times when great issues confront us that there will be those who for various reasons will try to shake the faith and confidence of our people in their Government. It is not important at this time whether the Democratic Party or the Republican Party is in control of our Nation; the important thing is that it is a government duly elected by the people of this country. This Government undoubtedly will do things which will succeed and others that may well fail.

We Americans must try to understand that we have a government which is trying to chart a course for the American people, which will preserve not only freedom for this country but will also re-

store the hope of freedom to those who must now live under tyranny.

I have said repeatedly, I have tried to tell my own constituents, and I shall try to tell them again during the recess, that while there should be disagreement, that we do want them to give voice to their disagreement, this disagreement should be manifested in an orderly manner. Our people should understand today that we are locked in perhaps the most deadly struggle that civilization has ever seen between those on our side who would preserve the dignity of man and those within the Communist orbit who would destroy it.

There is no question in my mind that international Communists will resort to every trick available to man to win their point. I hope that in analyzing the shortcomings of our Government, in analyzing the shortcomings of any administration, be it this one or the previous one, we will do this in a manner that will indeed strengthen the fibers of America and not weaken them.

I think perhaps the oldest trick of the despot has been to divide and confuse. We saw Hitler select the Jewish people of Germany as his target and make them his scapegoat. We saw the frenzy he was able to arouse in the German people against the Jews, promising greater, bigger, and better things once the Jews had been eliminated. We saw in Germany the democratic institutions, we saw the constitution, we saw the courts, we saw the press, we saw the labor unions of that nation taken over by Hitler's storm troopers until finally he had the whole country responding to his every command. It was only because the German people permitted themselves to be blinded by this type of emotional appeal against the Jews that Hitler was able to gain absolute power.

We saw the same thing in Russia when Stalin took over, and after confusing and dividing the people, ordered great purges of the courts, the military, and the people themselves of that country. We recall how Stalin made the Ukrainians his scapegoat and ordered mass executions. Here again we saw a great despot using mob rule to confuse the people of Russia and move in with his Communist dictatorship.

I am sure many people in this country who take an opposing view do so with a complete depth of sincerity and understanding. There is no question in my mind that those who belong to the John Birch Society, to cite just one example, are as sincere as any American in this country. This is what they believe. They have a right to believe these things. My only hope is that once they have reached an agreement on what they themselves believe, they will manifest these agreements and these beliefs in an orderly process consistent with our Constitution and our Bill of Rights. I am mindful that not always is a community or a nation willing to accept dissenting views which may very well lead people to be disillusioned in the democratic processes. Too often those who find themselves impatient with the democratic process turn to mob rule, unmindful that they are only then fanning

the ever-hungry appetite of those who would try to destroy us.

It is for this reason I hope that we Americans will understand our system of government. This great democracy that has survived for 185 years is undoubtedly the most complicated concept of government ever conceived by man. We need look no further than this Chamber for proof of what I have said. This Congress hopes to reach adjournment tonight, yet because within the democratic processes of our Republic there are Members in this Chamber who are exercising their rights, we may have to delay the adjournment of this Congress.

This, of course, we may not like. We may not agree with it, but certainly we respect the fact that this is an inherent part of our democratic process. I do not think that we want to change it. I think that we Americans should recognize the fact that while we are the youngest of the major powers in the world today, we are indeed an infant when we consider the long history of Germany, the long history of England, the long history of France, Italy, Poland, the Scandinavian countries and, yes, Russia itself. We are indeed the youngest major power in the world today. Yet we have survived, and the fundamental concepts which have been written into the Constitution of this country have survived longer than any of those countries. We are, in fact, the oldest country today in preserving the fundamental concept of government simply because we have so scrupulously adhered to the basic constitutional concepts written into the philosophy of this Government. We have protected the rights guaranteed in that Constitution. Nothing moves slower than the democratic process. Yet it moves slowly in an atmosphere of 20th-century impatience. I say that when the day comes when we start looking for expediency to deal with problems, we will have weakened the fibers of this democracy, just as every other nation in this world has weakened its fibers when it turned to expediency. Our Constitution guarantees that our fundamental concept of government shall not ricochet with every shift in public opinion.

Mr. Speaker, I say that the Constitution is a great document. We are making tremendous progress in the field of civil rights, and we will make even greater progress in this field in the future, simply because we are getting Americans to recognize the fact that in this country we respect every American's equal right to opportunity and hold him equal in the face of the law. We will make greater progress. However, we are making this progress through the courts, through judicial review. I think those people who have put up this fight for greater recognition of civil rights deserve the commendation of this entire country. They have conducted themselves in an orderly manner in turning to their courts and Constitution for the answer; turning to the courts and Constitution for relief. We may not agree with the Supreme Court. I must say that there are many decisions that I personally do not agree on with the Su-

preme Court. But I accept the Court's decisions as the rule of this land. We have set up the Supreme Court to be the referee in these disputes of the Nation. It is only when we try to circumvent the Supreme Court, when we try to circumvent local authority, when we try to circumvent the laws and take the law into our own hands in a democracy that we indeed weaken the structure of our country.

Mr. Speaker, I say that there are difficult times ahead of us. We are going to have to be alert, as Americans, to the great treachery of international communism. There is no question in my mind they are going to do everything they can to disrupt the normal operation of this country wherever they can, to divide the people of this country whenever they can.

Mr. Speaker, I think it behooves the American citizen when a new idea is proposed to him, when a great campaign is made to either impeach a Supreme Court Justice or prevent Congress from adjourning or any other of these movements, I think that the American people would be wise to say, No. 1, who are the people behind the movement? What are their motives? Why do they want to do this? If they are satisfied that these people honestly believe in these things, then I think they should use every legal means to make their views known. I think this is the exercise of their rights as Americans and as individuals.

On the other hand, I do not think they should permit themselves to be easily misled, because then they become easy prey for those who would inspire mob rule.

I hope the day will never come when the American people will be compelled to march in a single cadence like the people of the Soviet Union. I hope the day will never come when the people of this country will not be permitted to exercise their right to a dissenting view, to exercise their right to be different, to exercise their right to disagree. But I also hope the day will never come when the impatience, when the slow-moving pace of our democratic process, will overwhelm the people and they will try to find more expedient ways of giving meaning to their views by mob rule or other violent changes.

This is the great challenge in America. We are living in an era that tries the imagination of men. I receive many letters from my constituents, well-meaning letters I am sure, saying the world is moving so fast, it is becoming vastly complicated, there are so many problems, that the average American is beginning to grope seriously for answers, and it is becoming more and more difficult to understand the great problems of the world. But here is the challenge of democracy.

The question is, Will the American people as individuals be able to understand these great problems and manifest their ideas through the proper channels of their elected officials, their courts, and their Government? Or, are they going to abandon this responsibility as American citizens to the small handful of opinionmakers who, for reasons known best to themselves, will try, per-

haps, to change the course of this country?

I say that the American people today are faced with a challenge never before faced by a people, because we are a free nation. Certainly the people of the Soviet Union, of Poland, of Rumania, of Yugoslavia, of all the other Communist-controlled countries do not have that problem because the state makes all the decisions for them. The despots in the Kremlin make the decisions for them. But, in our Republic, under our democratic form of government, we look to our people for guidance, because our strength stems from those people. It will then be the responsibility of the people to review the issues before us very carefully; to see what are the basic issues between East and West; to try and understand the attitude of our President when he tries to meet the great challenge of today. No man has ever had a tougher assignment, here in the middle of the 20th century, when nuclear war faces us every day. I think the American people must get behind this President of the United States and understand that no man has tried to deal with this vast problem in a more determined manner. Yes, it is easy enough to sit back and say we ought to get tougher, we ought to do this, we ought to do that. But I wonder if these people stop to consider what are the consequences. I think President Kennedy has made it manifestly clear to the Soviet Union that we are not retreating from our position. He has made it manifestly clear that we are going to remain in Berlin. He has made it manifestly clear that we are going to stand firm on the principles of freedom that we so dearly hold in this country. And I think President Kennedy has made it eminently clear to the Soviet Union that if there is any disruption of peace, the Kremlin will not only have to take the full blame but suffer the full consequences.

The American public must understand this. This is the great challenge. The American people are going to have to go beyond the news that is too often slanted to reflect the political, partisan views of the publisher. They are going to have to be beyond the analyses prepared too often by prejudiced columnists. They are going to have to use their own best initiative to get what information they can from every possible source they can, not relying only on any one particular source.

I read in Time magazine the other day an article about how the Cuban fiasco occurred. I was proud to hear President Kennedy say that of all the versions of the Cuban incident this particular analysis which appeared in Time magazine was perhaps the most incorrect. Yet how many Americans who undoubtedly have read this one article have drawn their conclusions on the basis of this single article, erroneous as it may be. This is the challenge of America. This is the challenge of 180 million American individuals.

I think that the greatest mistake any American can make is to be beguiled or influenced by any one source, by any one person. Only when Americans will

take the trouble to look behind the scenes, only when they will take the trouble to look at the other side of the coin, only when they will take the trouble to listen to the rebuttal of those who disagree will they be able to draw a conclusion, a fair conclusion, and one that can then be reflected here in this great legislative body of the United States.

I become very concerned when I receive letters from citizens, well meaning as they are, and there is no question in my mind that they are well meaning, who so readily accept extreme views of one side or another. When I receive letters from people telling me that if we adjourn Congress, the President will turn the country over to the Communists, it becomes obvious to me these people are being badly misled by someone with a very narrow mind, someone who has never read the Constitution. Yet, these people obviously are easily misled and become almost panic stricken by false prophets. It is obvious that these well-meaning Americans have taken the trouble to hear only one side of the issue. If they would take the trouble to use their libraries, to use all of the resources available to them, I think they would be able to find that this sort of extreme talk is completely fantastic and impossible. Yet this is what is happening all over the country, and this is why it is so easy in various areas of our country for well-meaning citizens to join mob rule, to be stampeded into action which does not serve the best interest of Americans.

For this reason it is my hope that in these difficult times we are going to study all the issues. Emerson once said that whoever would be a man must first be a nonconformist. The strength of our Republic lies in the fact that we as Americans are all nonconformists. There is nothing that we pride ourselves on more than our right to our own opinion. The question is, how often do we see well-meaning Americans forfeiting this right, being easily misled, being easily stampeded by those who may have ulterior, selfish, narrow, and purely partisan motives of their own.

I hope our American people remain nonconformists. I hope our American people will continue to exercise their right to disagree and be different. But I hope that when they make that decision they will look upon the Bill of Rights, they will read the Constitution, they will understand this vast complexity of our democratic process, and then adapt themselves accordingly and manifest their dissenting views through the orderly process of our Constitution and Bill of Rights. I certainly urge all Americans at this particular time when the world is becoming so complex to calmly and dispassionately evaluate the situation. It is my hope that our citizens will in ever-increasing numbers participate in the debate of what can be done today to meet the Soviet challenge, but I hope that they will conduct this debate in an orderly, constitutional manner. Only then are we strengthening the fibers of democracy. Only then can we look confidently to the fact that when Mr. Khrushchev predicts that our grand-

children will live under communism, we can confidently predict his prophesy will fall of its own deceit.

I have faith in this Constitution. I have faith in the democratic processes of this Nation. I have faith that the American people are going to take the trouble to learn the complex structure of the world situation today, and then in a dignified, orderly manner manifest their views to their respective Representatives. Great civilizations have fallen to mob rule. It appears to me, that every American who is dedicated to democracy, must view with disgust and repugnance any resort to mobocracy.

FOXY BETANCOURT

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from California [Mr. ROUSSELOT] is recognized for 1 hour.

Mr. ROUSSELOT. Mr. Speaker, the United States, in its Latin American policies, has repeated so many blunders and costly mistakes that the American public has reached a state of numbness.

We have failed in Cuba, both in backing the Castro agrarian reform with all our encouragement in 1958 and 1959, and then by failing incompetently to crush him when we backed the invasion of 1961. We have blundered miserably in the Dominican Republic, where we have cast off our one dependable anti-Communist friend. We have just seen our \$2 billion bet on Janio Quadros in Brazil explode in our faces when Quadros turned over the country to Joao Goulart. Goulart continually has had a Communist background. In addition, our country stood idly by while Cheddi Jagan, a man of extensive Communist orientation, was elected to head the so-called parliamentary government of British Guiana. The World Bank, in which our tax funds have gone to insure its stability, approved a loan to the Jagan government on June 23 of this year, prior to the election. Because Mr. Jagan was then in control of the government machinery, this loan bolstered his ability to be reelected 2 months later on August 21. There have been other actions in Latin America by our country that have advanced the cause of the Communists in that hemisphere. These acts were not the responsibility of just a Republican or Democratic administration. Both political parties have controlled the executive branch during the time of these unfortunate instances and must equally be held accountable. I wish to make it plain that this is not a partisan pronouncement that I am making today.

It would seem that we could find no more blunders to commit in Latin America to top these fearful bungles. But we have. We are now anchoring a major part of our Caribbean defense policy upon a cagey man who has been shown, by a great deal of evidence, to be a consistent supporter of Communist objects and ideology. I refer to Romulo Betancourt, President of Venezuela. Not only are we playing ball with Betancourt in our cold war strategy, we even helped to elect him. At the election of December 7, 1958, when he was chosen,

word was discreetly leaked out of the American Embassy at Caracas that the United States favored Betancourt.

Actually, the whole buildup of Betancourt as an anti-Communist force in the Caribbean has been a hoax of such absurdity as to cast serious doubts upon the perceptive abilities of the Washington notables who have fallen for it. It is as if the United States should suddenly seize upon the unregenerated Alger Hiss as the spearhead of our American fight against communism. And yet the State Department and the glib ex-professors who have fastened themselves upon the administration's Latin American policies as a sort of pretorian guard have accepted this Betancourt hoax, hook, line, and sinker. Governor Muñoz-Marin of Puerto Rico, who is a sort of Gray Eminence of the Kennedy Latin American establishment, praises Betancourt long and fulsomely. Adolf A. Berle, Jr., whom the President appointed to head his task force in Latin America, leads the Betancourt cheering squad. Adlai Stevenson is a trusting admirer although the wavering vote of the Venezuelan Ambassador in the United Nations on issues important to the United States should put him on his guard.

Little wonder, with such court advisors, that Betancourt's shaky Venezuelan regime has become insolent with self-importance in its dealings with Washington. The latest exhibition of Betancourt gall was the announcement by his minister of finance, Tomas Enrique Carrillo Batalla, and reaffirmed by Carrillo Batalla's successor, Andres German Otero, that the Betancourt government wants \$900 million in foreign loans to prop up the staggering finances of his country. Betancourt expects to get most of this money from U.S. sources.

Why rich Venezuela needs this loan is another and stupefying story which I am going to come to later in these remarks. Senor Carrillo Batalla says confidently that he hopes to get a major portion of this sum from the United States. The New York Times, which consistently gives the news breaks to Betancourt, reports that, "Venezuela's sources said that the expectation of such massive U.S. aid in the form of development loans was a key component of Carrillo Batalla's program for pulling the country out of its worsening depression."

Will Betancourt's Venezuela get this money? In view of the apparently incurable belief of our State Department in the ideology of the political left, my guess is that it will get a large part of it from the U.S. Government.

And when we give Betancourt our money, we may just as well face the fact that it will not be used for the benefit of the Venezuelan people. It will be used, true to the Betancourt tradition, to undermine capitalist institutions in Venezuela and to prepare the way for a Communist or Marxist Venezuela. It will be a subsidy for a Venezuelan social revolution or agrarian land reform.

If this statement seems too sweeping, let me focus your attention upon some facts about this man Betancourt which should give the American people a

second view. The facts pinpoint Betancourt as a lifelong supporter of Communist objectives and ideology. Betancourt's so-called breaks with Communist objectives have been hollow gestures.

The deep shame of our policy of pro-Betancourtism is that it is not something which has been forced upon us; our Latin American policymakers literally pursued Betancourt to force favors upon him. For the promise to support American policies in the Caribbean, the Venezuelan Socialist has exacted a humiliating price from the United States.

Betancourt's first demand was that we end our long alliance with the Dominican Republic. Trujillo's little nation, whatever mental reservations Americans might have about its denial of civil liberties, was America's most potent friend in the Caribbean area. Under Generalissimo Rafael Trujillo, the Republic gave 100-percent support to the United States in all security situations. Trujillo's excellently trained army was the one existent military force in the Caribbean which could be depended upon to checkmate Fidel Castro. To cast off such a proven friend at a time when Castroism was threatening the whole American position would be an act of such foolhardiness as to seem unthinkable even to certain persons in the State Department.

But at the behest of Betancourt, the United States did that very thing. At the San José Conference of September 1960, Betancourt presented the proposition that the United States could only have Venezuela's support in Pan American decisions if it imposed sanctions against the Dominican Republic. To the eternal shame of our State Department, it yielded to this insolent political blackmail. Our delegates at San José, led by our State Department and Charles Bohlen, voted to cast the Dominican Republic out of the family of Latin American nations, and to make it a pariah.

And then a curious thing happened. Betancourt had promised that if we met his wishes in the Dominican matter, he would back the United States in a strong OAS declaration against Castro. But no sooner had we kept our part of the unsavory deal than Betancourt welshed on his pledge. He joined in a move to pass a weak, anti-Communist declaration which studiously refrained from citing Castro by name. Did the U.S. delegates slap Betancourt down for this breach of faith? They did not. With almost masochistic humility, Assistant Secretary of State Thomas Mann issued a statement hailing the conference for its achievements.

Little wonder that Betancourt made up his mind that the United States was a pushover. When the Kennedy administration was inaugurated, he made his next demand. The United States should meet his wishes in the appointment of the new American Ambassador to Venezuela. His choice fell upon Teodoro Moscoso, an assistant of Governor Muñoz-Marín in Puerto Rico. During his exile from Venezuela after 1948, Betancourt had for some time been the guest

of Muñoz-Marín in San Juan. He had become intimate with Moscoso. When Chester Bowles OK'd the appointment for President Kennedy, Betancourt had an American Ambassador who would let him write his own ticket. It was particularly stressed, in announcing Moscoso's appointment, that he would be able to work closely with Betancourt in matters of American aid.

"The third pound of flesh" which Betancourt has demanded from the United States was the extradition to Venezuela of his principal political opponent, former President Perez Jimenez, now a political refugee in the United States. Betancourt well realizes that if he can get Perez Jimenez under lock and key in one of his notorious political prisons, the backbone of the conservative, anti-Communist Venezuelan opposition to his rule will be broken.

Perez Jimenez has been under constant harassment and legal persecution in Miami. The whole operation has been vengefully conducted by Manuel Arizteguieta, Betancourt's Consul General in Miami. In the course of the action, the former Venezuelan President, who was honored and decorated with the Order of Merit by President Eisenhower on July 4, 1954, has been forced to make more than 20 humiliating court appearances to defend himself. His home has been surrounded by U.S. immigration officers and also by border patrolmen, as though he were a common criminal. He has been placed under \$100,000 bail. Betancourt is determined to get Perez Jimenez into his clutches and the weak attitude of many U.S. officials gives him good reason for believing that he will win his third demand.

In return for such shameful American toadyism toward Betancourt, what has he delivered to us in turn? His support in the United Nations and the OAS has been wavering and undependable. He has declined to back up the United States in breaking off diplomatic relations with Castro's Cuba. Although he has not yet actually expropriated American property—remember he is still playing the role of an anti-Communist—he has made it so uncomfortable for private enterprise that there has been a flight abroad of over \$1 billion of capital during Betancourt's 2½ years.

American oil companies, which have played such an outstanding role in developing Venezuela and in paying the lion's share of the taxes, have been confronted by the sinister apparition of a new socialist government oil monopoly which is now entering the business of producing and marketing oil. Betancourt himself, in his writings, has frankly declared that the nationalization of the oil industry is his ultimate goal. As long ago as 1932, in one of the letters to his Communist followers in Venezuela, which I shall describe a little later in this speech, he made the revealing statement:

It is necessary for us to fully realize that our greatest enemy will be the Yankee oilman * * * it is indispensable for us to give very special attention to this aspect of the struggle.

The whole record of our relations with this equivocal man has been a sad story of U.S. loss and Betancourt gain.

Is it not about time that we should ask ourselves the question: Who is this Romulo Betancourt who has become such a trusted figure in U.S. hemispheric planning?

First of all, the fact must be faced that he is a former functionary of the Communist International and is still working consistently for Communist ends. As a young man, he was an ardent colleague of Gustavo Machado, who is now the official Communist Party boss in Venezuela and a member of the Venezuelan Senate. Three times Betancourt has been exiled from Venezuela for Communist activity, first under President Gomez in 1928, again under President Lopez Conteras in 1936—Betancourt evaded this banishment by going underground and remaining in Venezuela—and again in 1948 by the junta which overthrew the leftist government of President Gallegos.

During his first exile, he went to Costa Rica where, with Manuel Mora, he founded the Communist Party of Costa Rica. For 5 years, from 1930 to 1935, he was the official head of the Costa Rica Communist Party, working with the Communist apparatus in Latin America.

It was while he was in Costa Rica that he worked out "the two-faced" strategy for winning Venezuela for communism without using the Communist name, which has been his lifelong preoccupation. The one mistake which he has made in his supercareful career was to describe this strategy on paper and to send it to his disciples in Venezuela in the form of letters. These letters stand over Betancourt's head like a sword of Damocles. They provide the incontestable proof that Betancourt's present impersonation as the head of the Accion Democratica government, and his present pose as a liberal anti-Communist, are all a part of a shrewdly conceived Communist plan which he formulated and put on paper while in Costa Rica in the early thirties. Every action of his subsequent career has been undeviatingly consistent with this plan.

What are these letters? In 1932, Betancourt had three close disciples in the Venezuela Communist underground. They were C. C. Valmore Rodriguez, Ricardo Montilla, and Raul Leoni. All three of these intimates have followed Betancourt through every twist and turn of his subsequent career. Two of them are now top members with Betancourt in the hierarchy which controls the Accion Democratica government. His letters were addressed to these three disciples.

Probably these letters would never have come to light and Betancourt could have gotten away with his impersonation had it not been for a strange twist of circumstances. One of the recipients, active in the Communist underground in the city of Barranquilla, Colombia, defaulted on his rent at his hotel. His baggage was seized and the full Betancourt correspondence was discovered. President Lopez Contreras ordered an

investigation. Later, the Venezuela Government reproduced all the letters in a red book. I have glanced through a copy of this book, of which only a few copies are now in existence. Also a memorandum was submitted in 1936 by the U.S. military attaché to the State Department. The military attaché describes in the memorandum the circumstances under which the letters came into Government hands and vouches for their authenticity. The memorandum should be in the State Department files. A further corroboration was provided by former President Lopez Contreras in a book which he published in 1955 and in which he again reproduced the letters.

Let me quote from some of the letters. The full Betancourt plan, which is still the compass of his audacious policies, is outlined in one letter to Valmore Rodriguez dated January 27, 1932. Betancourt wrote:

In Europe, the peasants and laborers have reached a stage of political intelligence which allows them to act as government functionaries. But in Latin America the peasants and laborers haven't that level of intelligence. Therefore, a Marxist party founded on that basis is doomed. The party has to form a high general staff to direct, and that high-level staff should be formed by us because I am confident that we will not allow a deviation until we, with our high intellectuality, will determine the right time has come to make the left turn to the extreme leftwing and ultimately to communism. I derive this from the writings of Lenin who said: "The party shall follow the leader's path." How about it, little brothers? Are you of the same opinion as I?

Notice that Betancourt outlines three stages in his strategy to win Venezuela to communism. Only in the third stage will he unmask and proclaim his ultimate goal of communism. With his Accion Democratica regime he is now in his second stage.

Betancourt developed his strategy even more explicitly in another letter written in August 1932, and also addressed to Valmore Rodriguez:

This group would work to strengthen itself theoretically, to spread revolutionary propaganda within Venezuela, to recruit sympathizers with our line within and outside the country, and once having returned to the country, to constitute the initial nucleus of a revolutionary party, a united front of the exploited classes and which would be exclusively controlled by us, by a general staff of the struggle—more explicitly, by Communists who will prevent opportunistic deviations of the organization. This would impose a double task to legally agitate the masses, taking advantage of those honeymoon periods with the democratic liberties which almost always follow the overthrow of dictatorships, and to propose at the same time the insurrection, since the Peruvian experience is too significant for us to trust in the possible results of an electoral solution.

In this letter, we will note, Betancourt, who is hailed by so many American liberals as the apostle of "democracy" in Latin America, openly expresses his contempt for "electoral solutions." Remember, this is the real Betancourt, writing to his Communist comrades.

Betancourt explained his strategy of working for communism while disavow-

ing the Communist name, in a letter addressed to all three of his disciples on January 27, 1932.

We already know how those people fear the aforesaid little word [communism]. And with vaseline we may be able to insert into the people all of Marx and all of Lenin, the most vehement hatred of private property, the most intense and active desire to do away with the capitalistic regime without ever having to use this word which smells of sulfur—communism.

He repeated his proposal of Communist incognito in a later passage:

In case there is any misunderstanding, let me point out to you here, publicly and openly, that I have been called a Communist. But I think we should act in a little more foxy way at this time to win what we need—the contact with the Venezuelan masses inside Venezuela.

What a self-revelation of the real Betancourt is provided by these signed letters: What a perfect nickname he has invited for himself—"Foxy Betancourt." As we follow the apparently contradictory and tortuous twists and turns of his subsequent career in Venezuela politics, we find that these letters supply us with almost a perfect chart to explain his conduct. Under all the impersonations which he has used during the intervening quarter of a century, one star has guided him at all times. That star has been his determination to make Venezuela a Communist nation.

It will be asked, What was the reaction of the Communist International to this unorthodox proposal of the young Betancourt to work for Communist aims, while denying the Communist name? As a matter of fact, Betancourt was simply carrying out, in this thinking, the accepted united-front strategy of world communism during that period. He wrote these letters at a time when the Communist International, under the leadership of Georgi Dimitroff, was introducing, in many countries, the policy of working under non-Communist names, of forming fellow traveler organizations, of inducing deceived non-Communists to work unwittingly for Communist ends. Probably these letters reached the notice of Betancourt's superiors in the Communist International. We shall never know the private meetings and agreements with the Communist International which Betancourt made at that time. This we do know.

Some time in 1935, Betancourt dropped his card-carrying membership in the Communist Party. Today, Betancourt and his American admirers throw a halo around this act and picture it as a sincere turning of the young man away from Moscow. Betancourt, when he reassures his liberal friends, tries to convey the impression that he lost faith in communism at this time.

Actually what had happened was that President Gomez had died and the way was now clear for Betancourt to return to Venezuela from exile and to begin trying out his "communism without the Communist name" plan. If further confirmation is needed, the New York Communist Daily Worker, in its issue of October 28, 1945, unintentionally gave away the show. It wrote: "He was not

expelled." Anyone at all conversant with the inner policies of international communism knows that a man who, like Betancourt, had risen to the rank of national party leader—in Costa Rica—is never allowed to resign. For disciplinary purposes he is either expelled or else permitted quietly to drop out to be reassigned by his party superiors to some new and important nonparty post where he can work for communism under another name. The latter was undoubtedly the case with Betancourt. As far as I can determine, he never actually left communism even though, for expedient reasons, he has often put on the mask of "anticommunism."

That he was carrying out his new assignment is shown by what he next did. He returned to Venezuela, gathered around him his three Communist disciples, Valmore Rodriguez, Leoni, and Montilla, and formed a new party. This was named ORVE. It did not last long. In 1930, the Betancourt letters were discovered and in the following investigation, President Lopez Contreras illegalized ORVE. Betancourt went underground. From his place of hiding, he formed a new party, the Partido Democratico Nacional. But this also was short lived. The Venezuelan laws at that time illegalized any party in which Communists held executive positions. When it was proved in court that Betancourt and his comrades were Communists with party records, the Partido Democratico Nacional was outlawed. Betancourt, with the same elements, then formed the Accion Democratica, which is his present party. President Medina permitted the party to function openly and Betancourt came out into the open from the underground. Using the ideas described in his letters, he began to attain a mass following. By this time, he had publicly dropped his Communist terminology completely—he had become an apostle of "democracy."

Then Betancourt had a great break. In 1945, a group of military officers overthrew the Medina regime. Inexperienced in government, they turned to Betancourt's Accion Democratica and made it their political arm. A revolutionary junta of seven was selected and Betancourt was made president of the junta. He was now, to all practical effects, the ruler of Venezuela. Leoni was made a member of the junta. Valmore Rodriguez was made Minister of the Interior with authority over the police power. Montilla was made Minister of Agriculture, where he could carry out Betancourt's demagogic land reform ideas. Leoni was made Minister of Labor. Later, the novelist, Gallegos, was selected by Betancourt as the front for the regime and he was chosen President of Venezuela. Under Gallegos, Valmore Rodriguez was made President of the Congress, which made him the second man in the Government.

The inefficiency and corruption of the regime which sheltered itself under the great name of Gallegos became so flagrant that, on November 24, 1948, an uprising of military officers, including Marcos Perez Jimenez, overthrew the

Gallegos-Betancourt regime. Betancourt and his faithful three went into exile. The Accion Democratica and the Communist Party were both outlawed.

There followed, for Betancourt, 9½ years of wandering. Much of his time was spent in Puerto Rico. Through Munoz-Marin's sponsorship he was inducted into the ultraliberal Socialist coterie in New York. The friendships which he made among these New York liberals led to his eager acceptance as a "non-Communist" by the liberals in both the Eisenhower and Kennedy administrations. It explains the extremely favorable press that he has received in his present and second round as President. Socialists and leftists are chronic logrollers.

The events of his second Presidency have been intertwined with the career of Fidel Castro. Since the popular belief has been diffused that Betancourt is on our side in the fight against Castroism, let us analyze the Betancourt-Castro relationship. It is true that Betancourt is publicly anti-Castro. But it must be remembered that Castro would not be in power in Cuba today were it not for the help of Betancourt. The relationship between the two men has been that of teacher and disciple. As long ago as 1948, Betancourt intervened and saved Castro's life when the latter was in danger of death in Bogotá for his active participation in the bloody Communist riots. Betancourt certainly knew at the time that Castro was a Communist for both the Colombia police and the American FBI had documentary material in their files proving Castro's communism. Nevertheless, Betancourt threw the mantle of his protection around Castro and saved him to become the "Communist midwife of Cuba."

When Castro was struggling for power in Oriente Province in 1958, it was Betancourt's Accion Democratica which gave him his principal support. Accion Democratica instituted a national "Give a bolívar to Castro" drive. It drenched Cuba with pro-Castro broadcasts over its party broadcasting station in Venezuela. A continuous supply of his guerrilla forces was carried on by airlift and by sea from Betancourt agencies in Venezuela. Huge sums were raised in Venezuela for Castro's war chest.

With this background, it may naturally be asked why are Betancourt and Castro now at odds? Why do Castro followers fight Betancourt politically in Venezuela? The explanation is simple. Betancourt and Castro have parted company in respect to their rival programs to bring about communism in Latin America. Betancourt is still wedded to the "foxy" strategy. He believes he can sneak communism into power by fooling the liberals into helping him. For that reason he puts on a masquerade of anticommunism. Castro, on the other hand, is seeking to bring communism through terrorism. Moscow sits back complacently and lets both of them try their techniques. Whichever one is proven right, Moscow will be the certain winner.

But let us go back to the \$900 million of foreign money which Finance Minis-

ter Carrillo Batalla asked for, and which Venezuela is now insistently requesting. How has it happened that rich Venezuela, under Betancourt, has come so quickly to financial straits requiring such lavish foreign assistance? Or, to put this question in another way, what kind of a risk for American money is Betancourt's Accion Democratica Venezuela?

To answer this question we must bear in mind that the leftist groups which overthrew the government of President Marcos Perez Jimenez in January 1958 inherited a Venezuela which was at the peak of solvency. Perez Jimenez, although it is not the Socialist habit to revile him in order to exalt Betancourt, was a man of engineering vision who proved to be probably the most constructive ruler of Venezuela in modern times. His 9-year dominance in Venezuela saw that richly endowed country blossom like a veritable rose. Of course there was uneven distribution of wealth. We hear a lot of talk about the poverty in Venezuela. But there is poverty everywhere, if we hunt for it statistically, even in prosperous United States. The fact remains that at the end of Perez Jimenez' rule, Venezuela enjoyed the highest per capita income of any nation in Latin America.

Perez Jimenez' achievement in Venezuela was so outstanding that President Eisenhower, on July 4, 1954, conferred the Order of Merit upon him, with a citation praising his achievements "before and after becoming President."

Now let us see how the pro-Betancourt history-revisioners are distorting the truth about the past in order to sell Betancourt to the American people. Listen to this editorial in the New York Times, which faithfully reflects the pro-Betancourt bias. Speaking of Betancourt's financial difficulties, the Times says:

The economy of his country is in bad shape because of the extravagance and heavy indebtedness of the dictator, Gen. Perez Jimenez.

If there was heavy indebtedness under Perez Jimenez, certainly the accurate economists of the First National City Bank of New York did not discover it. In the official report on Venezuela, issued in June 1957, a little over a year before Perez Jimenez' political demise, the First National City Bank stated:

External debt, other than the small Export-Import Bank loans, was liquidated a long time ago. Internal debt, consisting chiefly of Government-guaranteed obligations of various autonomous organizations is relatively modest.

Whom should we believe on the subject of Perez Jimenez' "extravagance," the special pleaders of the editorial department of the New York Times—pro-Castroite Herbert L. Matthews is a member of the editorial board—or the objective economists of the First National City Bank.

But let us look upon some statistics which will highlight the desperate misrepresentation which Betancourt's "liberal" friends are committing in order to blacken the name of the anti-Communist government which preceded him in Venezuela.

The New York Times and other "liberal" writers have frequently declared that the reason why Betancourt is running a deficit and must have U.S. aid is because Perez Jimenez, in his extravagance, left a huge internal debt which Betancourt has been trying to pay off.

Official statistics show that this is a misstatement.

At the end of 1957, on the eve of Perez Jimenez' departure, the Treasury of Venezuela had a surplus of 2,384 million bolívares. This was the nest egg which Larrazabel and Betancourt inherited when they came to power. Against this huge surplus, there was outstanding virtually no foreign debt and a domestic debt of only 1 billion bolívares.

In 3 years Betancourt has succeeded in squandering all this inherited surplus and 5 billion bolívares more which his regime has raised through taxation. And although Perez Jimenez literally rebuilt the country out of his national revenues in an extraordinary public works program and still was able to accumulate a surplus, the whole public works program has been at a virtual standstill during the 3 years of leftist government. At the end of the 3 years a surplus of 2,384 million bolívares has been converted into a deficit which, by Finance Minister Carrillo Batalla's own admission, aggregated 1,876 million bolívares at the end of 1960. And it is now worse.

Where then has the money gone?

The public reports of Betancourt's government agencies are not very revealing, but this much is on the record.

The largest part of this money has been squandered by Betancourt in a far-flung program of corruption of the Venezuela electorate. During Perez Jimenez' last year, one of his political opponents tried to make a case against him by charging that there were 15,000 unemployed in Venezuela. Within 3 months after his departure the 45,000 workers who had been employed on public works had been laid off and total unemployment had soared to 100,000. To placate these unemployed and to win their support for the new leftist regime, a so-called emergency program was instituted, and unemployed were put on the Government payroll to receive 10 bolívares a day with no work required. Farm laborers from all over the country flocked to Caracas to qualify for this no-work money, and they became political adherents of the ruling party. This giant Venezuelan WPA program cost the national treasury the sum of approximately 1 billion bolívares.

The situation became so scandalous that Betancourt later ended the emergency policy. But he followed it by something worse. He issued an order to all the Government departments and the Government-owned agencies to "absorb" these unemployed—in short, to give them permanent Government jobs doing nominal work. So the Government is still supporting this vast boondoggling army of Betancourt voters. So scandalous is the situation of overstuffed Government agencies that the administrator of the publicly owned Venezuelan monopoly acknowledged that he could easily

eliminate 75 percent of his working force and run the telephone services more efficiently.

The political corruption of the Government agencies has become so shameful that Betancourt parcels out fixed quotas of jobs under the Government to each of the political parties which are supporting him in his coalition. Venezuela is still a rich country but no nation could remain solvent when the national treasury is being used almost without restraint in a wholesale corruption of the electorate.

In all the vague talk about what Betancourt is doing to democratize Venezuela and to "build a middle class"—Betancourt's own favorite phrase—the unhappy truth is concealed that in 3 short years, Betancourt has succeeded in turning self-respecting Venezuela into a huge poorhouse. And now it is proposed by our liberal friends that we should start pouring American millions down this Government's bottomless pit.

But there are some truth-facing men in the State Department who are painfully aware of the ruinous trends of Betancourt's rule. A confidential report, calling attention to the danger of pouring out more American economic aid to shore up Betancourt's sinking Venezuela was prepared for Ambassador Moscoso by three members of the Caracas Embassy staff—John M. Gates, Jr., First Secretary, Dr. Irving Trager, labor attaché, and Robert Cox. The memorandum, after pointing out the financial irregularity and political favoritism which pervades the Betancourt regime, used these warning words:

All the plans and programs that might be formulated . . . and the economic development of Venezuela, either by the Government, by private capital, or by American technicians would have to be put into operation through the prevailing bureaucracy. But as long as the public administration of the country is characterized by ineptitude, indifference, the practice of favoritism in the handing out of Government jobs, the thefts, the duplication of jobs, and the erection of private empires, it would practically be impossible to have any dynamic projects or efficient followthrough by the Government. (This is a retranslation from the Che Guevara's Spanish version recently presented in Punta del Este.)

Since this report blasts some of the basic assumptions which have been used by Washington higher-ups to sell the \$20 billion Latin American development program, we would probably never have heard of this memorandum were it not for Che Guevara, Castro's No. 2 man. The memorandum was in the portfolio of Ambassador Moscoso and was left in his parked car when he visited the University of Caracas on June 14, 1961. While Moscoso was in the university, a gang of Communist Castro students attacked and burned the car. The Americans assumed that the portfolio had been consumed with the car but later, at the Punta del Este Conference, Che Guevara produced the document and read it to the delegates as a proof of U.S. interference in Latin American affairs. The State Department thereupon acknowledged the document.

What has happened to one courageous man who worked on the prepara-

tion of this report, knowing full well that it would be unwelcome to his superiors?

Perhaps it was a coincidence, but it is interesting to know that John M. Gates, Jr., was recalled to Washington subsequent to the issuance of this report and a new First Secretary appointed.

Apparently, there are people in the State Department who do not want the hard truth to be revealed when it touches one of their "sacred cows" like Betancourt.

Government statistics of total public spending will give us a frame of reference to envisage the vast increase in Venezuela spendings under Betancourt in comparison with those under Perez Jimenez. For the 9 years of Perez Jimenez' rule, 1948 to 1957, inclusive, total Government expenditures were 18 billion bolívares, on an average of 3 billion bolívares a year. In return for this, Venezuela has gained through completed public works projects which Perez Jimenez inaugurated. Against this we have the fact that in the 3 years of Larrazabel and Betancourt rule, 1958 to 1960, inclusive, Government expenditures were 21 billion bolívares, or an average of 7 billion bolívares a year. For this, Venezuela has practically no public works completions to show—only a dismal slide of the nation into the first approaches of a Socialist-Communist quagmire.

When Betancourt talks about his desire to build a middle class, the uninformed foreigner takes him at his word. The truth is he is rapidly destroying the former Venezuelan middle class and preparing the population for a potential Communist takeover. To cite a few industries which were thriving before 1958, let me list a few examples. More than 50 percent of the small businesses in Venezuela have been wiped out under Betancourt. Virtually all importing business has disappeared as a result of the drop in the value of the bolívar. Ninety percent of the insurance companies have gone into bankruptcy. The construction business, once Venezuela's second industry, has now come almost completely to a standstill. The building supply industries dependent upon it have ceased operation or failed. In place of the new buildings which were formerly springing up all over Caracas, the monument to Betancourt rule is the so-called hunger belt of huts which have risen like a ring around the city on the cleared land of Perez Jimenez' discontinued public work projects. The inhabitants of this hunger belt, as Betancourt well knows, will be ready tinder for the coming Venezuelan Communist revolution.

In the propaganda of his American admirers, Betancourt is always praised for bringing civil liberties to Venezuela. But has he? As I speak these words, rigid restraints are in effect in Venezuela against freedom of assemblage and freedom of press. It should be noted, in passing, that none of the top Communists, such as Gustavo Machado, have ever been imprisoned under these regulations. The principal target of Betancourt's Accion Democratica police state are the Venezuela conservatives. Betancourt's praisers point with pride to the new constitution which he has promul-

gated proclaiming civil liberties, but they have overlooked the fact that none of these constitutional protections will apply to the thousands of cases of the anti-Communist supporters of Perez Jimenez which are now pending. In Venezuelan law there is a legal status known as transitory disposition for unresolved legal actions. The case of imprisonment and confiscation of the political enemies of Betancourt, even after the announcement of the new constitution, are, by special legislation which Betancourt has passed, kept in transitory disposition, outside the constitutional civil liberties provisions.

Today, several times as many people are in exile from Venezuela as during the days of the dictatorship of Perez Jimenez. When the offer was made to pay the travel expenses of those who had fled Venezuela under Perez Jimenez in 1958, the total number who accepted was just 200. This is a fair measure of the number of actual exiles at that time. Today, under Betancourt, over 3,000 conservative Venezuelans are in exile in the United States, in Europe, and in the Americas. Sad to relate, they constitute the flower of the anti-Communists of Venezuela. In addition, three whole jails for political prisoners in Venezuela are crammed with Perez Jimenez supporters—the Planta, the Casa Gris, and the El Dorado. Civil liberties are only meaningful when they are available for one's political opponents. Under Betancourt, civil liberties in Venezuela stop when they are invoked on behalf of the genuine anti-Communists who once supported Perez Jimenez.

And so we come to our \$64 question: Is Betancourt pro-Communist? I think the preceding has shown he is following a policy in Venezuela which is as surely calculated to bring communism to that unfortunate country as anything which could be done by an outright Communist. Indeed, Betancourt is more dangerous, because, with his "liberal" mask, he is able to deceive the United States into accepting him as an ally and a beneficiary. To use his own 1932 words, he is still acting "foxy." He is still bringing communism by "vaseline."

But the final and indisputable indication that he is craftily carrying out the long-range Communist plan which he described in his letters of 1932 is the fact that the same Communist comrades whom he then hailed as his general staff are still with him in the Accion Democratica and holding high office in the Venezuelan Government.

Raul Leoni is today the President of the Venezuelan Congress. Under the Constitution of Venezuela, he will succeed Betancourt in case of death or resignation.

Riccardo Montilla stands at Betancourt's righthand as the Political Adviser to the President.

C. C. Valmore Rodrigues is now dead, or else we would probably see his name high in the present Betancourt hierarchy.

Three of the quadrumvirate of general staffers who banded themselves together fanatically in 1932 to win Venezuela for communism are today ruling Venezuela in the name of the Accion

Democrat which our misguided American liberals are hailing as the hope of democracy in Venezuela.

Betancourt has been too clever to draw attention to himself by putting known Communists in his Cabinet. Instead, his old Communist henchmen are ensconced inconspicuously in No. 2 and No. 3 posts. In these positions they can influence policy without becoming targets. Some of them sit in the Congress and Senate. Some of them are key figures in the controlling officialdom of the labor unions. Some of them are administrators of the so-called agricultural reform agencies where they are able to cement the rural voters to the Accion Democratica political machine. A master in the art of the masquerade, Betancourt conducts a government so carefully camouflaged that it impresses foreign observers as being "liberal" and "anti-Communist." But the Communist overall control is never relaxed by Betancourt, Leoni, and Montilla who know the directions in which they are moving.

However, Communists have been placed in some of the key positions of the Government outside Cabinet rank. One of these posts is the ambassadorship to the United States. The deluded support of American liberals is so important a factor in Betancourt's continuance in power that the Washington post has been given to a man who shares Betancourt's Communist confidence. This man is Jose Antonio Mayobre, present Ambassador to the United States. Mayobre, after a lifetime in the Venezuelan Communist underground, went to Moscow and studied in the Communist training schools. Up until 5 years ago, he was still active in open Communist work.

Another post is the Venezuelan ambassadorship to UNESCO. This post is held by Mariano Picon Salas, a pro-Communist. Another pro-Communist who stands at Betancourt's right hand is Carlos D'Ascoli, who is the economic adviser to the President.

And still another pro-Communist, Rafael Medina Febres, holds a position corresponding to the Under Secretary of State in the United States. Medina Febres in 1932 was another member of the Betancourt-Leoni-Montilla group who received the famous letters which I have quoted in the preceding. These are all pro-Communists who stand strictly outside Machado's official Communist Party, with which Betancourt has no public relations. To maintain the pose, Machado's party and the Accion Democratica even engage in public controversies and unimportant Machado Communists are occasionally arrested, although the top Communist leaders are never molested.

It is a staged spectacle carefully designed to fool Americans. That it has succeeded in its purposes is shown by the obsequiousness with which some of our State Department policymakers, both in this and in the preceding administration, have treated Betancourt. When the history of this unhappy period is written, one of its supreme ironies will be the fact that the deluded United States picked out the most clever pro-

ponent of the Communist ideology in Venezuela to lock the Caribbean gate against communism.

Will the United States awake in time? It must awake, or the Caribbean area may become the graveyard of our freedom in this hemisphere. We are moving in that catastrophic direction by rapid steps. It is now 11 o'clock in our struggle with Khrushchev for Latin America. Let us not wait until midnight.

COMMITTEE ON HOUSE ADMINISTRATION—REPORT ON CONTINGENT FUND OF THE HOUSE

The SPEAKER pro tempore (Mr. McCORMACK). The Chair recognizes the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Speaker, I offer a resolution (H. Res. 476) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 476

Resolved, That, until otherwise, provided by law, the Committee on House Administration shall have exclusive responsibility for prescribing the form of, and having printed, the portion of the report of the Clerk of the House under section 60 of the Revised Statutes (2 U.S.C. 102) dealing with the contingent fund of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, I reserve the right to object.

Mr. LIPSCOMB. Mr. Speaker, if the gentleman will yield, this resolution has been cleared with the leadership on this side of the House and we have no objection to it.

Mr. GROSS. Mr. Speaker, I would like to know the meaning of this resolution.

Mr. BURLESON. This is a resolution that will clarify the situation as to the responsibility for prescribing the form of and for printing that portion of the report of the Clerk of the House dealing with the contingent fund of the House. The appropriation act passed by the House last year provided that all expenditures from the contingency fund of the House should be published in a document. In years past, when the Clerk of the House made this report to the Speaker, the report was ordered to be printed. In recent years that practice has not been followed and, of course, it is up to the Speaker of the House to do so. In the bill last year, to which I referred, there was a provision which stated that the report should be printed, but it is somewhat vague as to whose responsibility it is. We think it is the responsibility of the House Committee on Administration—as a matter of fact, we know it is the responsibility of the committee. But the authority was not spelled out in that bill, which was passed last year, and the pending resolution spells it out; in other words, that the Committee on House Administration should prepare and have printed and make it a public document all expendi-

tures from the contingency fund of the House of Representatives.

Mr. GROSS. And this in no way alters the mandatory provision of having the report printed?

Mr. BURLESON. The law now requires that the report should be printed. We are dealing here simply with the matter of who has the responsibility of preparing the report and having it printed as a public document. This resolution is for the purpose of clarifying the matter in that respect.

Mr. GROSS. If I may ask the gentleman from Texas one further question. Does this deal with the report that has been for so long on the Speaker's desk this year?

Mr. BURLESON. I do not know to which report the gentleman refers.

Mr. GROSS. There was one report which I understood was on the Speaker's desk for a good many weeks, if not for several months, in this session of the Congress. It was a report dealing with expenditures. Perhaps it was the report of expenditures on travel, I cannot now recall the exact nature of it.

Mr. BURLESON. The gentleman probably has reference to the fiscal years 1958, 1959, and 1960 which were not included under the law but which the Committee on House Administration by resolution did have printed for the reason that under the requirements of law we do have it printed. Then in the fiscal year 1961, the law requires that it be printed for that year and all subsequent years. If I may repeat, what this resolution does is to clarify the authority as to the responsibility because the Committee on House Administration does have that responsibility.

Mr. GROSS. With the assurance of the gentleman that this will result in the report being printed and made available to whoever wants to see it, I have no objection.

Mr. BURLESON. May I state to my colleague that that is already being done. This is just a matter of who has the responsibility for doing it in the future. All we are asking here is to clarify the situation as to the responsibility for performing this function.

Mr. GROSS. Mr. Speaker, I thank the gentleman and withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE PUBLIC WORKS APPROPRIATION BILL

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, in a few minutes, a conference with the Senate

on the public works appropriation bill will be requested.

I am the top minority member of the Subcommittee on Public Works of the Appropriations Committee, and hence will be a member of that conference.

I note in reading the Senate bill that they have increased the House bill for public works appropriations for fiscal 1962 to the tune of \$278,225,500. Some 30 items have been either increased or added to the House bill. This, of course, follows their regular procedure year after year. The House committee sits in hearings for months listening to Members of Congress, to the agencies' budget request involved in public works, and to outside witnesses, who generally number around a thousand, and we finally write a bill, then bring it to the floor where we generally have almost unanimous approval by the House of Representatives, because we have been fair with every section of the country; and provided in the bill items and projects as we honestly feel are justified, but we have never gone overboard in spending the taxpayers' money whether the items or projects are reimbursable or not—then we learn always that the other body has taken little account of all the things we have struggled with and brought to the House floor and passed, as I say by an almost unanimous vote of the Members of the House, but invariably the other body increases the bill by hundreds of millions, which is discouraging to not only the members of the House committee, but also to most of the American taxpayers.

Mr. Speaker, I yield back the balance of my time.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3019. An act to provide for the construction of a fireproof annex building for use of the Government Printing Office, and for other purposes;

H.R. 7890. An act to authorize the Postmaster General to dispose of certain land, and for other purposes.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. HAYDEN, Mr. RUSSELL, Mr. McCLELLAN, Mr. ROBERTSON, Mr. HILL, Mr. MAGNUSON, Mr. HOLLAND, Mr.

KERR, Mr. PASTORE, Mr. DWORSHAK, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mrs. SMITH of Maine to be the conferees on part of the Senate.

PUBLIC WORKS APPROPRIATION BILL SENT TO CONFERENCE

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

The Chair hears none and appoints the following conferees: Messrs. CANNON, KIRWAN, FOGARTY, JENSEN, and TABER.

RECESS

The SPEAKER pro tempore. The House will stand in recess subject to call of the Chair.

The bells will be rung 15 minutes before the House reconvenes.

(Thereupon, at 2 o'clock p.m. the House stood in recess subject to call of the Chair.)

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore at 4 o'clock and 27 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 399. Concurrent resolution to make certain corrections in the enrollment of the bill H.R. 7377.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 144. Joint resolution fixing the beginning of the 2d regular session of the 87th Congress.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) entitled "An act to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain

parking fees and other moneys to the highway fund, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7377) entitled "An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes."

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. If it is a proper parliamentary inquiry—what was it that was messaged over from the other body?

The SPEAKER pro tempore. The Chair was just going to recognize the gentleman from Oklahoma [Mr. ALBERT] to make a statement.

Mr. ALBERT. Mr. Speaker, if the gentleman will yield, the message was starting new business without finishing old business. As I understand it was a resolution setting the date for the convening of the 2d session of the 87th Congress.

Mr. HALLECK. What date does the resolution fix?

Mr. ALBERT. I think it is the 10th. The resolution will have to speak for itself—yes, it is the 10th of January.

While we are on this subject if the gentleman will yield further—

Mr. HALLECK. I yield.

Mr. ALBERT. It is common knowledge now, of course, the other body has entered an order to meet on Monday. It has not yet finished legislative business which must be considered by the House. We therefore find it expedient to adjourn the House until Monday next.

I would like to advise the Members that we plan to adjourn until 12 o'clock on Monday next. It is urgent that Members remain in Washington and that we expect business beyond Monday next. We hope the Members will arrange their plans accordingly.

Mr. HALLECK. As I see it, there will be very little business on Monday. If there is some business after that time, it will be necessary for us to have a quorum here. I must say, as I have listened to the Members, it is with deep regret they have learned we cannot adjourn tonight because personal plans are being interfered with and official business that Members have in their districts is being interfered with. It is just too bad that we have not been able to adjourn tonight. I agree with the majority leader it is a matter not within the control of the leadership of this body. That is probably all that can be said about that.

Mr. ARENDS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ARENDS. Is it against the rules of the House for a Member of the House to say anything derogatory about any

Member or collectively about the Members of the other body?

The SPEAKER pro tempore. The Chair would not pass directly on that parliamentary inquiry, and strongly suggests that not be done.

BERLIN PROBLEM

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COHELAN. Mr. Speaker, I am delighted to have an opportunity to participate in this important discussion on the critical Berlin problem. As many of my colleagues know, ever since I came to Congress I have maintained and regularly called attention to the fact that the key source of friction between the Communists and the free world is a divided Germany and in particular, the isolated city of West Berlin.

Mr. Speaker, I do not need to emphasize the dimensions of this problem to my distinguished colleagues. Not since the beginning of the cold war, in fact, have we been confronted with such an explosive and dangerous situation as we now face over the tragically divided German city.

The Berlin situation is obviously a far-reaching and highly complex matter. Questions such as Soviet motivations and intentions, Western principles and policies, and the subject matter of negotiations need to be raised and explored.

In this respect I am pleased to call my colleague's attention to a thought-provoking analysis of the Berlin problem prepared by one of my constituents, the distinguished professor of political science at the University of California—Berkeley—Dr. Paul Seabury.

Among other things, Professor Seabury correctly points out:

In Berlin we are reminded of the twofold danger which will be with us for a long time: the danger of totalitarianism to human freedom, and the danger of thermonuclear war to human life. Preoccupied with one, we could fall victim to the other, [and] we must always bear this difficulty in mind.

Professor Seabury has also made the very important point that, "dangerous as this present crisis may be, we still should try to define and assert its temporal and spatial dimensions and limitations. The freedom of West Berlin, as President Kennedy has said, is not negotiable; it is a central part of the freedom of the whole Western World. In seeking to defend this freedom, however, we must not reduce the whole range of our foreign policies to the particular issue at stake here. Rather than Berlinize our foreign policy, we should seek to invest Berlin with those broader meanings which have imbued our foreign policy over the past decade: our concern for peace and freedom; our concern for a better life for all men."

Mr. Speaker, I do not agree with some of the specific points discussed by Pro-

fessor Seabury. Notwithstanding, this is an informed and timely memorandum and deserves the study of all Members of Congress.

MEMORANDUM ON BERLIN

In Berlin, we are reminded of the twofold danger which will be with us for a very long time: the danger of totalitarianism to human freedom, and the danger of thermonuclear war to human life. Preoccupied with one, we could fall victim to the other; we must always bear this difficulty in mind; but we must also bear in mind that even in our choice, we are not free to "choose"; our opponents in this confrontation, who have taken the initiative of unilateral force, have not abandoned that initiative; and it is this seizure of initiative in force which now severely limits our own freedom to choose, to think rationally about an enduring accord in central Europe, and to speculate about its contents.

Dangerous as this present crisis may be, we still should try to define and assert its temporal and spatial dimensions and limitations. The freedom of West Berlin, as President Kennedy has said, is not negotiable; it is a central part of the freedom of the whole Western World. In seeking to defend this freedom, however, we must not "reduce" the whole range of our foreign policies to the particular issues at stake here. Rather than "Berlinize" our foreign policy, we should seek to invest Berlin with those broader meanings which have imbued our foreign policy over the past decade: our concern for peace and freedom; our concern for a better life for all men. (It would be foolhardy and shortsighted, for instance, to demand of all nations in the non-Communist world, that our aid to them, our assistance in their long-range programs for human betterment, be now, suddenly, made contingent upon acceptance of the specific policies in Berlin which we—and our Western allies—deem essential. Our concern with the grave military threat now posed by Soviet blusterings and symbolic acts, ought not to dim our concern, or paralyze our efforts, to achieve one of our most basic aims: a world without war.)

The example we now set to others, in this crisis, will test the style we must henceforward display—seeing, even in crisis, the deep value of the steadfast insistence upon principles and actions consonant with peace and freedom. It would not be weakness now to continue to speak and act "beyond Berlin," beyond that hoped-for point in time when war could have been avoided, and European freedom once again preserved. By our initiatives for peace now, even by our unilateral actions in areas far removed from Berlin, we may, in a sense, "transcend Berlin." Transcending it, we might even deflect our opponents' eyes, in some measure, from their fixation on this grievous threat to war. Until negotiations commence, our own freedom of initiative in Berlin itself is severely limited; we are pressed hard, and the pressure may well increase; if there, in this limited context, our actions may seemingly be limited to defensive responses to the gnawings of Soviet and East German actions, we should not abandon our own nonmilitary actions and initiatives; we should, if for that reason alone, augment our own initiatives for peace, freedom and human decency elsewhere.

Soviet actions underscore once more the absence of a political settlement and order in central Europe; but they underscore also some of the chief reasons why no such order has been possible of diplomatic achievement since World War II. Without such a settlement, we face constant prospects of war. With a Soviet-dictated settlement, imposed by threats and unilateral actions, international peace would be equally endangered; for the symbolic implications of a Western

"retreat from Berlin" would be too great, however shrouded in statesmanlike rhetoric, to go unnoticed by the whole world. Unlike Quemoy and Matsu in the Far East, Berlin is not merely (or even chiefly) a military outpost of America and an unpopular ally; it is, and long has been, a symbolic outpost of the whole Western World.

What is important, in thinking about Berlin, is to assume that whatever we wish in the way of a settlement is one which can enhance central European stability, by giving promise of some permanence. We cannot permit our concern for peace in 1961 to cloud our real concern for permanent and enduring peace. We cannot be panicked into a fragile settlement which, prompted by our fear for immediate war, only increases grave misgivings for any permanent solution. While we cannot despair of negotiation, we should despair of negotiations having, as issue, seeds of new and even greater difficulties than the ones that prompted this present crisis. We confess defeat if we negotiate merely to buy time for peace.

SOVIET INTENTIONS AND COMPULSIONS

The Soviet state is a closed totalitarian system. We cannot see much, we are bereft of the kinds of knowledge about intentions, needs and compulsions which, even in the best of circumstances in a free society, are hard come by. We work from inference and from scanty facts at hand. Yet no approach to the Berlin problem can begin without inquiring into these intentions and compulsions: what is wanted, and why. Any great event or crisis gathers into itself many motives. What are the chief ones, on the Soviet side? Which ones must we bear in mind when formulating our own proposals for action and for negotiation? Which ones can we regard as legitimate intentions—that is, in accord with their own professed concern for peaceful coexistence? Which ones can we not?

One thing only can we be certain of: that the Russians have found the existing status quo evidently intolerable, and have decided to use force, if necessary, to make us acknowledge the intolerableness also.

Another thing surely we must be certain of: There is no simple objective, no simple "overriding" explanation of Soviet behavior.

Beyond this, we must engage in an act of imagination and intuition.

Surely, if we take the short view, the Russians on August 13 provoked the crisis by taking a surprising step—closing the sector lines—because of a serious threat to the East German regime—the threat of mass exodus. There can be little doubt that this action was pressed upon them strongly by the DDR, and by Ulbricht (after all, one cannot stand idly by and watch one's own population file out of the auditorium during such beautiful music). That there was necessity and compulsion behind this particular act is important to bear in mind. But one can be misled by this. The East German exodus was occurring because of prior Soviet and DDR actions; people were getting out because they wanted to "get out in time," because the border, the escape hatch, was likely to be closed when Khrushchev got his "peace treaty," which—he had announced this spring—he would get under any circumstances by Christmas. It is not, then, into the compulsions to freeze off East Berlin that we must inquire, but about the compulsions to force the "little" issue of Berlin, and the larger issue, of Germany, to a crisis point for "final settlement."

There are three things which might be borne in mind as sources of Soviet intentions:

First, supposed Soviet concern over a re-armed Germany in central Europe, particularly a West Germany armed with nuclear weapons.

Second, Soviet concern to demonstrate, within its own orbit, to its allies (notably China), and its own people, that its waxing power and prestige were to be employed for the expansion of the Communist world. (This internal matter, rather than dangers of a mythical "generals' coup," could indeed be serious, and has been suggested by some students of Soviet politics. These point to the growing concern of Soviet leaders with widespread cynicism in Russia about the regime, growing indifference to its claims and pretensions; increasing evidence of difficulties in labor-management problems; widespread defiance of authority, etc.) It is important, when discussing these things, to bear in mind the needs of Soviet Communist leadership, as distinct from the needs of Russia itself; and there can be no doubt that the highly charged debate between Khrushchev and Chinese Communist leaders, concerning strategy and tactics, is both an infraparty debate and a debate deeply concerned with the future of the Communist movement, not with that of Russia, or the Soviet people.

Third, Soviet concern with the legitimizing of the broader order of central Europe, which, if kept permanently "illegitimate," presents continuous dangers of recurrences of Budapest and Leipzig.

Fourth, there is the contextual coincidence of the present crisis, with a supposed Soviet exuberance concerning its superiority in weapons, and, conversely, American inferiority.

Finally, there can be little doubt of the seriousness, to the Russians, of a constantly malingering East German regime. It is an embarrassment; it is a constant reminder to Western Europeans of the shabbier sides of Stalinism; it is inherently unstable; and it is despised. Yet its importance within the Soviet orbit is considerable. Its highly industrialized economy is a prized possession, an indispensable element woven into the whole economy of the Soviet orbit. As its political weakness has increased, so also have Soviet compulsions to have it legitimized and internationally baptized. Only then, when recognized and accepted by other States, could a certain internal stability be wrought out of popular hopelessness and resignation. As an outpost of communism in the West, it is hard to imagine even the hardest of Soviet leaders ever permitting a new political order in which domestic protest and expression of popular will could further humiliate the Russians. If its regime were in any way popular; if one could count upon its gradual rise in popular esteem, the recognition matter, and a peace treaty, might not be so urgent. However, nothing has been done—no change of despised leadership, for instance—to change the appearance of this regime to the people of Germany; and for this failure in political judgment and action the Russians should hold themselves accountable. As it is, they have chosen to do nothing about it. Perhaps their options are not large. In any event, it is clear: they are no longer interested in unification, even as a propaganda device.

WESTERN INTENTIONS AND POLICIES

Any Western (read American) policies in this crisis should commence by recognizing the two levels at which policy must work: the negotiatory level, with its promise of possible agreements with the Soviet; and the level of unilateral action, to meet Soviet initiatives before serious negotiation commences. On both of these levels, however, certain basic principles ought to be respected:

1. Western Berlin, its territory, population, and government, must continue to be regarded, and respected, as a symbolic component of the Western World. On this matter there could be no compromise—nor is there today among the people of West Berlin, Germany, or Western Europe, any doubt

about it. A Berlin settlement which compromised this principle would precipitate a psychological disaster in Western Europe, seriously endangering the entire structure of Western political, cultural, and economic unity. Such a disaster itself would gravely endanger world peace; and it behooves the Soviet leaders to recognize this.

2. An essential element in the maintenance of a free West Berlin is, and should continue to be, the rights of free access to Berlin from the Western World as they now exist; these include the rights of access to Berlin of citizens of the Bundesrepublik, as well as elements of Western military garrisons. Air corridor rights of access apply to such commercial vehicles as now enjoy such rights; and neither Soviet nor DDR authorities may interfere with the passengers or materiel. Existing land corridor links between Berlin and the West also constitute rights. While the Soviet Union may choose to delegate, to DDR authorities, its own control and inspection rights as have existed in "common law" over the past 16 years, it cannot thereby abrogate its own responsibility to see that existing rights and obligations remain observed.

3. In maintaining the symbolic value of Berlin to the Western community, the presence in West Berlin of allied garrisons (French, British, American) remains essential. Such garrisons, and those of the Soviet Union and the East German regime as are present in Berlin, could well be supplemented by a U.N. "presence," possibly in the form of supplementary sector-boundary police, inspection teams, etc., to assist in the maintenance of tranquillity in the city. A U.N. presence, however, cannot be regarded as a substitute for the existing Western presence.

These positions, though necessary, are not sufficient. For while in negotiation we should seek final, explicit Soviet guarantees of them, we must also seek to broaden the sphere of negotiations; we must put the "little Berlin" problem into the necessary context of a "large central Europe" one. What elements might enter a Western position here?

Here, we might bear in mind once more the obvious, basic, local source of tension and aggravation in central Europe: the absence of international legitimization of the existing order of things. This problem transcends in seriousness and complexity the dangers arising from confrontation and proximity of Soviet and Western military forces in central Europe. Indeed, we might say that, were an international political settlement in central Europe possible, the problem of disposition of existing military forces in the area, while of some importance, would become secondary. Proximity of military forces—particularly of Soviet and American ones—in itself cannot be regarded as a principal source of tension in Europe; indeed, such proximity in the past 15 years has ironically been one element of central European stability, since it has diminished also the implicit dangers coming from leaving the matter of a German settlement to Germans themselves. Both the West and Russia have been conscious of this, as have many thoughtful Germans themselves; no one wants a Korean-type war in Europe; and for this reason we should not idly toy with proposals for some hypothetical and nebulous U.N. police force in central Europe as substitute for what we now have. The dangers of accidental war from spontaneous revolt, insurrection, and civil war are too great to be left to Germans themselves, and/or to U.N. forces of unknown composition, which could not act decisively (as did Western and Soviet authorities, at the time of the Budapest crisis in 1956). Above all, we must recognize, when speaking of "disengagement," that NATO-Warsaw Pact proximity alone does not constitute danger. In a sense, every spot on the globe is proximate to another. Symmetrical

reduction of forces in central Europe, and the creation of "atom-free zones" can thus only be meaningful in the context of broader, more general reduction of forces, and, conceivably, of general and universal disarmament.

What elements of "illegitimacy" in central Europe might constitute subjects of negotiation? The following come to mind:

1. A German frontier settlement: We should now be prepared to admit the "finality" of the existing de facto eastern frontiers of Germany. This means, chiefly, the Oder-Neisse line, now separating East Germany from Poland. It means, however, also more than that—for recognition of this would in part ally Soviet and Eastern European concern for a hypothetical German "revanchism," a source of constant worry and political hypochondria in Eastern Europe, which would continue even (or even more) if the Soviet Union were not there at all. Such explicit Western recognition of the eastern frontiers, by allaying such Eastern fears and suspicions, could conceivably contribute to a further lessening of political tensions in Germany's eastern neighbors (notably Poland), and conceivably also lessen the tight military alliance which now binds together the Eastern satellites and Russia. Finally, it could conceivably also diminish, within Germany, the influence of those political forces among the expellees and others, who continue to vainly preach the recovery of lost provinces.

2. A nuclear-free zone in central Europe: On this, we should not deceive ourselves: a nuclear-free zone in and of itself can be a chimera in a world where nuclear weapons are speedily diffusing themselves, and where means of delivery of such weapons is lessening the need for local weapons. Still, the creation of such a zone—encompassing large areas, say, of West Germany and East Germany, plus its near neighbors, Poland and Czechoslovakia—has some merits. For one thing, it could mean a lessening of local fears of a Germany armed and equipped with atomic bombs. But this would require, also explicit assurances—if not international agreement—that West Germans and other central European states themselves would not possess, in their own control and ownership, nuclear weapons of any kind. Realistically, for the time being, we should, however, bear in mind the Western need for German-based NATO forces equipped with nuclear weapons; but this on condition that the ultimate decision to employ them should lie with the United States.

3. A United Nations presence in central Europe. Here again, concern for peace should not cause us to misconstrue the effectiveness of the U.N. in a great-power crisis. Proposals to substitute U.N. forces for existing military forces of the NATO and Warsaw Pact countries in central Europe tend to overlook the serious difficulties inherent in the U.N., which greatly mitigate its ability to act in times of crisis. U.N. forces could be, under existing circumstances, little more than national contingents of political states; and the temper of vacillation, neutralism, and fear displayed by many U.N. members today does not bode well for the creation of a military force which could effectively maintain the peace. Realistically, we must also acknowledge that the Russians would reject any U.N. force in East Germany, which could not wholly cooperate in maintaining the fragile tyranny of Grotewohl. It is difficult to imagine the composition of such a force, unless composed of Soviet and Soviet-satellite troops, or the Chinese. Moreover, Soviet proposals to greatly weaken the Secretariat of the U.N. complicate this matter even more. Still, there can be no doubt that a supplementary U.N. presence in central Europe, in Berlin in particular, could serve an important function—particularly if this

function were defined after the fashion of U.N. truce teams employed by the United Nations in the Middle East after the Arab-Israeli war of 1948. Again, it should be borne in mind that what is essential in a central European settlement is not only force and authority to prevent war from being instigated by Americans or Russians, but force and authority to prevent the outbreak of civil disturbances and interzonal conflict.

4. Recognizing the East German regime. Are there circumstances where the Western Powers could do this? There can be little doubt that, aside from the Hungarian regime, the East German Government today is the most hated government in the whole Communist world. Here, in contrast to developments in nearly every other satellite state, remains a regime still associated with the worst, most iniquitous features of Stalinism. So outrageous is this condition that it is known that on occasions the Russians have mildly endeavored to mitigate its excesses and to make possible the escape to the West of its enemies. The Russians have, however, borne a heavy responsibility for its characteristics. The events of the past weeks have shown further evidence of the lengths to which this regime would go to enforce by violence its control. If there were evidence in the past that the Russians would admit a process of liberalization to take place here, which necessarily would involve the removal of Ulbricht and his cadres, we could contemplate some utility in recognizing the regime.

At this juncture, it is worth inquiring whether recognition of Eastern Germany, if linked to certain other specific conditions, would be worth the try. These conditions should be stringent; and among them surely should be the condition that the freedom of Berlin (as stated above) be explicitly guaranteed in treaty; that rights of access into Eastern Berlin, as prevailing before August 13, be restored as before. Surely other conditions could be attached (notably, perhaps, a Western land corridor), pertaining to a broader German settlement, but we cannot here deal with such particulars. Above all, it should be seen to that an East German Government, as a condition of its recognition, undergo some internal transformation; that the Russians evince a willingness to mitigate its most evil features. Recognition in and of itself—it should be stressed—could not enhance the reputation of the DDR in the West; and there is little that could formally be done to guarantee internationally any improvement in its internal conditions.

5. Interim measures. The foregoing proposals should not blind us to the great dangers of war which the world faces in Germany. It should not be idly thought that reasonableness in the West alone can create a climate within which serious negotiations can proceed, or within which the serious misbehavior of the Russians can be tempered. Above all, we ought to bear in mind that no "package" of Western proposals can be publicly assembled, and displayed, in advance of serious negotiations. Still, we ought seriously to consider certain interim attitudes and stances which the United States should display, pending serious negotiations:

First, at this moment of crisis American policy should not reduce all matters of East-West relations, and all matters of its own relations with the unaligned block of states, to the Berlin crisis. We should not cripple existing policies by tying them to this crisis. In particular, our own policies with respect to international control of weapons, and disarmament, should not be made hapless subjects of Berlin. Also, and equally important, we should not subject our foreign aid program to the Berlin crisis. Foreign aid, as it has developed over the past 10 years, serves many complex and important purposes; and

now, in crisis, to make receipt of aid contingent upon support of American policies in Germany can create deep and serious difficulties for us within the underdeveloped world.

Second, by unilateral initiative elsewhere, we should enlarge the image of our own peaceful intentions in world politics. This can be done without vacillation of purpose on Berlin; and should be done, as index of our hopes and aspirations for a better world. A broad range of American initiatives in a wide variety of fields—the international control of nuclear energy; and enlargement of American economic aid programs; enlargement of American support for existing international agencies for economic development—might be included in such initiatives. One important type of initiative, of considerable importance in the wake of Soviet test resummptions, would be a congressional resolution (analogous to the Vandenberg resolution during World War II) conferring broad powers on the President to conclude fundamental executive agreements on arms control, and endorsing administration policies concerned with inspection and control. There are many others which could be considered, including proposals for enlargement of Soviet-American cultural contacts. Response in kind to Soviet threats may be sometimes necessary, but should not be a general rule—notably in the field of nuclear weapons.

PASSING TO THE OFFENSIVE

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. LAIRD] may extend his remarks at this point in the RECORD in two instances.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. LAIRD. Mr. Speaker, last June at Seattle University Dr. Charles Malik, a professor at American University in Washington and former President of the General Assembly of the United Nations, delivered the commencement address to Seattle University's graduating class. The subject of Professor Malik's address was timely in June and has been increasing in importance and relevance ever since. The address, entitled "Passing to the Offensive," deals with the complexion of the free world and is an indictment of the West's present attitude toward the insidious machinations of the Communist endeavor.

I heartily commend Professor Malik's effort and genius in presenting in an enviable manner this difficult topic and I request unanimous consent that his remarks be inserted in the RECORD at the conclusion of my remarks.

Mr. Speaker, we have been on the defensive for many years now. We have allowed the Communists to make a mockery of our institutions, our beliefs and our system. We have been apologizing for our practices, our profits and our way of life. In Dr. Malik's words:

Morally and spiritually the Communists put you and me on the defensive; they talk in terms of "capitalism," "imperialism," "colonialism," "monopolies," "profits," "exploitation," "means of production"—all purely economic, purely materialistic terms.

And how do we engage ourselves in debate with them? We usually answer that the exploiting capitalism of the 19th century no longer exists, that imperialism has been liquidated, that monopolies are now owned

by the people, and that, as to profits, everybody now shares in them.

Dr. Malik is, of course, right. We have been apologizing to the Communists and our voices have had a ring of feebleness and a sickly note of timidity. If we do not believe in our system, if we must continually go on the defensive, if we cannot face up to the Communist challenge and assert our pride in our heritage, our Nation, and our system, if we must grovel and whine, defend and apologize, why, then we deserve what the Communists have in store for us and we will have only ourselves to thank for whatever becomes our lot.

Dr. Malik says:

There are people and forces inside and outside the Western World whose effect is to undermine whatever unity there is in that world. I am not thinking of the Communists whose very purpose is to conspire in that direction. I am thinking of the soft-headed, the duped, the tired, the frightened, the sentimental, the superficial, the unauthentic, and the perfectly innocent who mean well. If these people have their way, freedom will finally fall by sheer division and default. An offensive must therefore be mounted on this front.

We are running out of second chances. We can mount an offensive geared to bring freedom to the Hungarians, the Laoses, the Cubas, the East Berlins if we can find again the character and the courage and the firmness that make America the world leader it is today. If we heed Dr. Malik's advice and the advice of the many level-headed, clear thinkers in our midst and change our fumbling, groping tactics, then we will win the cold war.

The address follows:

PASSING TO THE OFFENSIVE

(By Dr. Charles Malik)

I

Those who have known in their lives and in their traditions the dignity of man and his freedom, those who for centuries have believed in, and have flourished on the basis of, the inviolability of the human person, have tended to be too much on the defensive. Often they have talked and acted as though they were in the wrong. A certain fright and timidity, nay a certain false modesty, has assailed them. Even if at times they find themselves apologizing for some shameful fact—and shame and apology could be signs of spiritual strength—they nevertheless appear to forget that in every sphere of life the offensive, if genuinely and rightly mounted, is the best means of self-defense. Nothing I believe is more needed today than for those who know and believe in God, truth, man, and freedom, to pass to the offensive.

There are five fronts in which it is necessary today to pass to the offensive. I may entitle these fronts the front of communism, the front of neutralism, the front of those who are engaged in undermining the unity of the Western World, the front of materialism, and the front of what I would term the least common denominator. The center of the first two fronts lies outside the Western World, the center of the last two fronts lies inside the Western World, and the center of the third front exists at once inside and outside.

II

Morally and spiritually the Communists put you and me on the defensive; they make us feel guilty, and we supinely accept the terms of their debate. They talk in

terms of "capitalism," "imperialism," "colonialism," "monopolies," "profits," "exploitation," "means of production"—all purely economic, purely materialistic terms. And how do we engage ourselves in debate with them? We usually answer that the exploiting capitalism of the 19th century no longer exists, that imperialism has been liquidated, that monopolies are now owned by the people, and that, as to profits, everybody now shares in them. It is evident that there is about this response a pathetic air of apology, a ring of feebleness, a sickly note of timidity, and those who make it clearly suffer from a guilty conscience. When we thus accept to be drawn into debate with the Communists on their own terms we confirm them in the feeling that they were right; it is as though we were telling them, "You are right in your attack; we are sorry for our past ways; but behold, we have now corrected them."

This will not do. The Communists should be answered, not apologetically, not as though they were right, but in terms taking them completely off their guard. They should be answered in human, moral, and spiritual terms.

After saying two or at most three sentences on economic and social questions, or perhaps even before saying them, we should be in a moral-existential position ourselves to turn to these men and say to them:

What about freedom of thought and inquiry in your realm? Can people seek the truth really freely? Can they really dissent? Can they really question your fundamental presuppositions?

What about freedom of conscience and religion? Do you Communists go to church? Do you fall on your knees and pray? And why do you persecute those who do?

What about human rights and fundamental freedoms? Which of these rights are really enjoyed by your people?

Tell us please, what is the object of your ultimate worship? Is it the theory of dialectical materialism? Is it atoms in motion? Is it force and revolution? Is it the satisfaction of your bodily and mental desires? Is it the Communist Party? Is it Marx and Lenin? And if they say it is Marx and Lenin, then we should be able to quote them some 50 statements by these men on moral and spiritual matters that would put them morally completely on the defensive.

What about the unity and the continuity of the tradition? Why is your movement an absolute break in that unity and that continuity?

Is there any free criticism of the government in your realm? Have your people ever been given a genuine free political choice?

What about your iron dictatorship? What about your police state?

What about the minority rule under which all Communist states languish?

What about the fact that, far from ever being chosen by the people, communism was always imposed by force by a handful of men?

What about the methods of subversion all over the world in which every dark trick of deceit and destruction is used?

What about the camps of forced labor?

What about Hungary, what about Tibet, what about the Chinese communes?

And since you always love to repeat that you are working day and night to "bury" us and that our children shall all be Communists, then let us assure you that in this you are completely mistaken, and that we are working day and night to liberate your people from your yoke, so that the day will come, and we trust soon, when the very names of Marx and Lenin shall be forgotten.

It is most important that the Communists be put on the defensive. It is most important that the total arsenal of political, moral, and spiritual values be brought to bear upon this struggle. Naturally, if we do not believe

in the primacy of these political, personal, moral, and spiritual values, we will not bring them up at all, or we will bring them up with our tongue in our cheek. But to keep on talking only in their materialistic terms, to accept timidly their universe of discourse, to be constantly on the defensive vis-à-vis their onslaught, is already to have been vanquished by them.

One is not seeking to win a game of words and arguments: it is history and destiny that are at stake. I would certainly settle for losing the argument of words provided I win the contest of history. The pathos of the situation today is that the argument reflects the contest. It is most important therefore to develop and execute policies and actions that will put the Communists and their friends historically on the defensive. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, must therefore pass to the offensive, not only of thought and conviction, but of that real, decisive, historical action which shall cause the Communists to take to their heels.

III

The neutralist front is becoming more and more significant. Those who, for whatever reason, wish to remain outside the gigantic world struggle between communism and freedom have every right to expect the rest of the world to respect their freedom.

As a matter of fact, real neutralism, implying real freedom of choice and real independence of judgment, is a triumph for the idea of freedom. The free world can only welcome it.

But a neutralist, rightly asking that his will be respected, has no right himself to impose his will on others. By his own logic, he must not object if others choose not to be neutral in this great struggle. Himself refusing to take a stand, the neutralist must respect those who do. A neutralist who is all the time working to extend the domain of neutralism, especially if this extension happens to be at the expense of only one side, is obviously not neutral.

Nor will one who really wishes to—and can—stay outside the struggle, play one side against the other. A neutralist in that case identifies his interests with the division of the world. He flourishes so long as there is tension; as soon as tension relaxes, he ceases to reap much value from his neutralism. Below a certain degree of tension, and above a certain degree of tension when the pressure increases considerably on the neutralist to take a stand, neutralism ceases to be profitable. A neutralist, beginning by wanting to serve peace and understanding, could easily develop vested interests in the absence of peace and the absence of understanding.

Then there is a neutralism that is, in fact, a Communist front. In a life-or-death struggle this kind of neutralism cannot be tolerated.

Policies at the United Nations; policies at home; fundamental pronouncements; the tenor of the press; international political, economic, and military arrangements; the whole political, spiritual, and ideological orientation of the nation—all these things can serve as tests to distinguish the genuine from the false type of neutralism.

One sometimes gathers the impression that the West is on the defensive with respect even to the neutralist world. Therefore, the needed offensive here is simply to welcome and support the neutralism that is genuine; to be so strong and self-confident that one will not fall for the neutralism that is a fake; and to measure neutralism always by the radical historic struggle whose issue will determine the fate of everybody, neutralist and nonneutralist alike. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all free-

dom and all truth, must, while fully respecting the freedom of the true neutralist, nevertheless feel that in fighting for freedom, truth, and man, they are really assuming responsibility, not only for themselves, but for the ultimate interests of the neutralist nation itself.

IV

There are people and forces, inside and outside the Western World, whose effect is to undermine whatever unity there is in that world. I am not thinking of the Communists whose very purpose is to conspire in that direction. I am thinking of the softheaded, the duped, the tired, the frightened, the sentimental, the superficial, the unauthentic, and the perfectly innocent who mean well. If these people have their way, freedom will finally fall by sheer division and default. An offensive must, therefore, be mounted on this front.

England cannot be separated from Europe. Therefore, a determined effort must be made to heal the breach between the so-called inner six and outer seven.

France is an integral pillar of the West, and Western civilization is unthinkable apart from French culture. Therefore, France does not deserve an unequal treatment, and every force that tends to weaken or embitter or humiliate France must be resisted.

Germany must not be so slighted and intrigued against as to begin to think of neutralism as an alternative. Therefore, Berlin must not be abandoned, and those who desire a weak Germany must not prevail.

North Africa must be saved from chaos and bitterness. Therefore, the Algerians problem must be settled soon, with a view to developing a north Africa that is positive, cooperative, and friendly to the West.

Japan is vital to every balance in the Far East. Therefore, relations with Japan should be deepened further, in the service of freedom and man.

Latin America must not be allowed to drift toward neutralism and anti-Americanism. Therefore, far-reaching measures must be devised and prosecuted with a view to cleaning up the Western Hemisphere of the Communist virus and promoting the friendliest relations between Latin and Anglo-Saxon on the basis of their common civilization.

The United States cannot go it alone in the modern world. Therefore, isolationism, in all its subtle shades, should not have the last word, and America should embark on a bold, new policy of developing still more intimate relations with all her friends.

The impression is often gathered that, owing to national jealousies and conflicting national interests, the West is hopelessly divided in itself. A vigorous offensive for unity must, therefore, be mounted. For what is at stake today is not this or that nation, but the entirety of Western civilization, with its marvelous traditions of man, of freedom, of truth, and of God. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth must, therefore, sink all their national differences in the interest of their one common civilization, which is not so mortally threatened and so dangerously undermined.

V

I include many things under the front of materialism. Besides softness and the life of ease, besides the quest after money and material gain, besides the all-consuming passion after economic security, besides greed and covetousness, and besides trusting only our senses and what they deliver, besides these things I include the fundamental spiritual attitude which denies real order in the nature of things, which denies that there is a real objective higher and a real objective lower, which instead derives the higher integrally from the lower, which obliterates the dimension of rank, excellence,

quality, depth, and which, therefore, knows no rest, no grace, and no ultimate peace.

But there is a higher and a lower in the nature of things. An animal is higher than a stone and a man is higher than an animal. And in man his moment of understanding is higher than his moment of bodily desire, and perhaps his love is even higher than his understanding.

Nothing is more needed today than a mighty spiritual offensive which will put the material in its place and restore to the spiritual its original primacy and preeminence. The mind that understands and creates, the spirit that suffers and sacrifices and loves and is at peace with itself, the fellowship of the pure and free and transparent, the joy of conversation and reason and sharing, the soul that rejoices in beauty and grace and being, the good will that is full of light and positive intent, God, the absolute mind, absolute spirit, absolute love, absolute reason, absolute grace, absolute goodness, absolute being—these things come first, and everything else second. Man, it seems, can never learn this lesson; he must always invert the right order of values and put the lower things first. That is why God had to shock him out of his senses by dying for him on a cross, in order that at least while He remains hanging on the cross, man has no choice but to see that God comes first. All the gadgets, all the machines, all the economic security in the world, all the titillations of our senses, all the hungers of our body, are nothing compared to these things. And these things have a being and an efficacy and an origin completely independent of all matter, all body, all machines, all security, and all hungers of our nature.

This does not mean that I scorn or spurn or sneer at the wonderful products of industry. On the contrary, I look upon science and industry as among the most important benefactors of mankind, and upon their products as among the greatest monuments of the creative mind and spirit of man. And if I can afford it, and if I am not engaged in some mortifying exercise for the sake of something higher, I will always buy the best car, go to the best doctor, drink the finest wine, live in the finest house, and sleep on the most comfortable bed. And, what is more, I will always wish and work, not only for me to enjoy these marvelous products of industry, but also for others to enjoy them. The concept of economic and social justice is an absolutely valid concept. But he who does not know how man may become so ensnared and infatuated by these things as to lose the original, sharp edge of his soul, has still much to learn.

Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, cannot allow the creative sources of their being to be sapped by softness and materialism. Nor can they rise to the historic demands of the hour, in meeting the challenge of communism, in helping the noncommitted world, and in effecting the needed Western unity, except on the basis of the primacy of the mind and spirit. They must therefore rebel against the tyranny of the lower and reinstall the higher on its legitimate throne.

VI

The question of the least common denominator is the distressing phenomenon of people without an enduring backbone. Because diverse points of view in this age are mingling and challenging each other on every turn, people with a weak backbone soon take on the color of those who surround them. This is very reminiscent of the parable of the sower in the Gospel where the seed has fallen among thorns, the thorns being the other points of view which so confuse us as to depress the truth to the least denominator common to all.

Let a Jew be present in a company of Christians, and the name of Christ can no longer be mentioned. Let a Catholic be present in a company of Protestants—or conversely—and the question of the church is automatically muffled. Let a Moslem, or a Buddhist or a Hindu be present in a company of Christians, and soon you hear the statement that all religions are alike.

Let an atheist associate with people with faith, and soon the conversation turns to some political gossip or to social progress and the wonders of science. Let a man from Asia or Africa meet people from the West, and soon all that is important is technical assistance and the problems of development. Let a Communist meet a man from the free world, and soon the atmosphere is one of class struggle and pure economics.

Men of real backbone will never betray their fundamental convictions. They will never allow other points of view to dull or flatten their soul. They will at least remain silent, and silence often speaks a volume of words.

It is possible to be polite, without ever abandoning your convictions; it is possible not to offend, while absolutely remaining loyal to the best and deepest you know; it is possible to be understanding and helpful, without deluding others that you are one of them; it is possible to cooperate with others, while remaining firm in the truth as God gives you to see the truth; it is possible to sacrifice yourself for them, without asking or expecting anything in return.

In this age of softness, appeasement and compromise, it is most essential that we pass to the offensive of holding fast to the deepest we know. The dimension of depth must be reopened with all its wonders. There is no excuse to live on the surface while the mysterious depths are beckoning us all the time. Who will remain the same man once he has really gone through the Book of Job or the Psalms of David or the Epistles of Paul or the wonderful liturgy of Chrysostom or the incredible sufferings of Teresa or the unbelievable torments of Dostoyevsky? Once these mysterious heights are revealed, and with them and through them the infinite compassion and understanding and mercy of God, who can any longer live in the plains? In these matters what is possible is also necessary. Nothing is more tragic than if those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, should, in the intensity of the challenge, forget their principles or water down their beliefs. When the soul thus loses its integrity, none can respect it any more. Nor can it in the end respect itself.

The law of freedom does not require that all points of view should merge into a blur. All that is necessary is an order of mutual respect. Above all change and accommodation one point of view should remain immovable and grounded as on a rock. When the darkness lifts, that which is held by the rock will lift all men unto itself. And its immovability will itself cause the darkness to lift.

VII

The present moment in history requires, more than any other moment in the past, that those who know and believe in man, freedom, truth and God, pass to the offensive on every front. The Communists must be put on the defensive by shifting the grounds of the battle from the economic and material to the moral and spiritual. The neutralism of the neutralists must not be allowed to weaken freedom and promote communism. Whatever the national sacrifices, the unity of the West must be strengthened fivefold. The primacy of the spiritual must be affirmed over all that is material, primitive, elemental. Those who know and believe in the truth must remain firm as a rock in their

belief, whatever their association and whatever their trials.

To those of you who have completed their intellectual and spiritual preparation and are now leaving these halls of learning, this is my special message:

Live in this age—neither in the past nor in the dreams of your imagination. Understand that the battle which is now raging is perhaps the most decisive in history. Understand that the forces of darkness are joining hands on every side against all that is truth and God and light. Enter into the battle with all your enthusiasm and all your heart. Realize what an infinite honor it is to be living and engaged in the battle today. Never allow the enemy to put you on the defensive. Pass to the offensive on every front. In your own lives trust God despite all your frailties. He will save you in the end. You have seen great visions and you have dreamed great dreams. I beg you to remain faithful to the deepest you have known. In its own day it will lead you to the rock of certainty that can never be moved.

And when you have run your course, and you are about to receive the prize, may it be said of you that you overcame the powers of darkness, and may your heart then, in profound gratitude, reflect something of the humility that was Christ's, and of the joy of His victory over the world.

RESIGNATION OF HON. RAY M. GIDNEY

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, a rather interesting event took place the other day which was politely recorded in semiabbreviated stories in the Washington press and other sections of the country. I refer to the purging by the administration of Comptroller of the Currency, Ray M. Gidney, who under direct White House or, more properly, Justice Department pressure will resign November 15.

The whole resignation procedure was subject to a great deal of confusion in that the White House had submitted the nomination of a replacement to the Senate before Mr. Gidney actually resigned. This was explained as a technical error, which proves if nothing else that the White House is not infallible.

However, Mr. Speaker, the important issue is that Mr. Gidney, a Republican, had the audacity to approve bank mergers opposed by the Justice Department, headed by one of the President's little brothers, Bobby—oops—I should say the Honorable Robert F. Kennedy.

The moral of the story is, "If you disagree with Bobby, you get the ax."

Coming as I do from Chicago, I have observed at firsthand the brutal dictatorial performance of Mayor Daley's Democrat machine. It is obvious that Bobby Kennedy and company operate in the same ruthless fashion. Democrat "birds of a feather flock together," and evidently perform alike.

I call this to the attention of the Members of the House as we witness another example where in a supposedly semi-independent agency a dedicated, inde-

pendent-thinking official is being eliminated by the administration and the petty tyranny of the New Frontier is advanced another step.

I would assume, since the duties of the Comptroller of the Currency consist of general supervision of the operation of national banks, mergers will now be approved or disapproved entirely by the Justice Department.

PARLIAMENTARY INQUIRY

Mr. KUNKEL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KUNKEL. Mr. Speaker, do all Members have permission after adjournment to extend their remarks in the RECORD, or do we have to obtain specific permission before adjournment?

The SPEAKER pro tempore. The Chair will state to the gentleman that that order is usually made just prior to the sine die resolution. Those matters will be taken care of at that time.

SUCCESSOR TO GIDNEY TO MAKE FULL DISCLOSURES ON BANK MERGERS

Mr. EVERETT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am very encouraged to read in the September 22 issue of the American Banker that James J. Saxon, the newly appointed Comptroller of the Currency, is to make a major change in the operations of that Office; namely, to make a full disclosure not only of decisions made by the agency in regard to bank mergers, but also to release the data used in reaching such decisions. This is in sharp contrast to the past operations of the Comptroller and also of the Federal Reserve and the Federal Deposit Insurance Corporation.

According to the American Banker, Mr. Saxon feels the public has a right to know what is behind bank supervisory matters when he takes office; bank mergers and consolidations probably will be viewed openly with records maintained of all discussions and hearings.

The American Banker also notes:

Mr. Saxon, as a member of the three-man board of the Federal Deposit Insurance Corporation can exert disclosure influence there. Although not a member of the Federal Reserve Board the influence of the oldest bank supervisory agency could influence there the release of more information on the voting of Reserve Governors on mergers, bank holding company operations and related matters, observers indicate.

I should like to include the full article appearing in the American Banker in the RECORD; and following it I should like to include another article from the September 20 American Banker reporting a speech by Morris Schapiro, president, M. A. Schapiro, Inc., New York

City brokers and bank-stock dealers, in which Mr. Schapiro says:

If banks continue to merge, we are going to increase concentration in the big cities and that is not what we want.

PUBLIC DISCLOSURE OF MERGER FACTS SEEN SAXON PLAN TO SUCCEED GIDNEY AS COMPTROLLER OF THE CURRENCY

WASHINGTON.—The appointment of James J. Saxon as Comptroller of the Currency to succeed Ray M. Gidney, due to become official on November 15, is expected to result in one major change in the operations of that Government agency—a full disclosure not only of decisions reached by that agency, but also of the reasons behind decisions and of the data used to reach conclusions.

This has been indicated by Mr. Saxon in a talk with the American Banker. He said he believes in full disclosure to the public of all data entering merger and consolidation approvals. He added he feels the public has the right to know what is behind bank supervisory matters, and indicated when he takes office bank mergers and consolidations probably will be viewed openly, with records maintained of all discussions and hearings.

His appointment as Comptroller is expected to be made by President John F. Kennedy on November 15, the date on which Ray M. Gidney's resignation, submitted Wednesday, will take effect.

The President announced late Wednesday he would name Mr. Saxon to an interim appointment, with official confirmation by the U.S. Senate waiting that body's convening in January.

Mr. Saxon had been a staff member of the Comptroller's office for many years and a special assistant to Treasury Secretary John W. Snyder, himself a former bank examiner, handling public relations.

Mr. Saxon, as a member of the three-man board of the Federal Deposit Insurance Corporation, can exert disclosure influence there. Although not a member of the Federal Reserve Board the influence of the oldest bank supervisory agency could influence there the release of more information on the voting of Reserve Governors on mergers, bank holding company operations, and related matters, observers indicate.

As a lawyer, who served in the office of the General Counsel of the Treasury Department and also as a special assistant to the General Counsel, as well as assistant general counsel in the Washington office of the American Bankers Association, he will be able to argue at the Justice Department on matters having to do with possible violations of the antitrust laws.

The American Banker predicted his choice early this year. The announcement of his selection on Wednesday turned out to be a comedy of crossed wires, which the Treasury said was due to a "clerical error."

The sequence of events began with a White House announcement of the President's "expectation of naming Mr. Saxon Comptroller of the Currency." However, it was immediately learned that Ray M. Gidney had not been informed.

Hearing about Mr. Saxon's selection, Mr. Gidney returned to his office and dated his resignation September 20 effective November 15, 1961. While the President has withdrawn the name of Mr. Saxon he is expected to give him a recess appointment. It appears that he had hoped to secure Senate confirmation by the earlier announcement before this Congress adjourned.

Mr. Gidney's term as Comptroller does not end legally until 1963. He is now on his second term. The selection of a Comptroller, according to early Government records, was designed to lap over from one administration to another so as to take the Office out of politics, when a new administration takes over.

However, in the long history of the Office, no Comptroller has succeeded in remaining in that Office when there was a change in the politics of the administration. The most recent instance was Preston Delano, who served the longest of any Comptroller. When the Republicans came into power the pressure on Mr. Delano was heavy and he bowed to it. Mr. Gidney took over the Office and is now himself a casualty of tradition.

The pressure on Mr. Gidney's office has been heavy due to his approval of many bank mergers.

Mr. Gidney has spent his life in banking, taking the Office of Comptroller of the Currency upon retirement from the Federal Reserve Bank of Cleveland.

He has operated a tight office. Mr. Saxon will inherit a loyal staff with the minimum of frictions and problems.

Mr. Gidney has been well liked by bankers and his banker callers have been many.

At the last session of the Stonier Graduate School of Banking he was cited for his accomplishments, for the "soundness of his judgment which few could emulate but all would admire." Mason W. Gross, president of Rutgers University, conferred on him the degree of doctor of laws.

Mr. Saxon is a graduate of St. Johns College and Georgetown Law School. He is a member of the District and Illinois bar. He left the ABA to accept the attorneyship of the First National Bank, Chicago, at the invitation of Homer J. Livingston, then president and now chairman of the bank.

He served as secretary and associate counsel to the Advisory Committee of the U.S. Senate Banking and Currency Committee for the study of Federal statutes governing financial institutions and credit.

At the time of his selection he was secretary of the First Capital Corp. of Chicago, a wholly owned affiliate of the First National.

"Jim" Saxon, as he is known by his intimates, is considered a friend and admirer of Ray M. Gidney, whom he will succeed. It is known that he did not campaign for the assignment of Comptroller of the Currency but was urged to take it.

There appears to be little likelihood of any major changes in the staff of the Comptroller's office.

BANK GROWTH WITHOUT ANTITRUST VIOLATIONS GOAL OF U.S. MERGER SUITS, SCHAPIRO DECLARES

PHILADELPHIA.—Justice Department attempts to halt bank mergers in various parts of the country may have another aspect than just harassment of banks, declared Morris Schapiro, president, M. A. Schapiro, Inc., New York City brokers and bank stock dealers, in addressing the eighth annual correspondent bank meeting of the First Pennsylvania Banking & Trust Co. at the Sheraton Hotel here yesterday.

Mr. Schapiro, a surprise speaker, said the main point in the Department of Justice's activities seemed to him to be how to help the banks grow and yet avoid infringing the antitrust laws.

"If banks continue to merge," Mr. Schapiro said, "we are going to increase concentration in the big cities and that is not what we want."

"I believe the Department of Justice's efforts and position will result in the greatest structural changes in banking, changes that will enable the banks to expand and yet will result in lower concentration ratios."

Mr. Schapiro declared that regardless of what action might be taken the banking business per se will never become obsolete.

William F. Kelly, president of First Pennsylvania, in discussing the question of competition, declared that it must be attacked on a frontal basis, not by merging.

"We must learn that growth by marrying the guy next door is not our goal. We must

expand by meeting competition from savings and loan associations, insurance companies, credit unions, and other similar groups. We must move our services out, expand them, and sell them to the people. This is our opportunity for growth," he said.

Mr. Kelly said he did not anticipate any great improvement in the general economy until toward the end of the year. He expected an increase in commercial loans beginning about the middle of the last quarter because of the need to care for new defense programs, the accumulation of inventory during the last 6 months and plans for plant building.

Consumer loans he did not expect to show much improvement, but "cash installment loans, beginning shortly before the start of the Christmas season may show marked gains," he said. He pointed out that there has been a marked trend toward cash borrowing rather than consumer loans, because many customers prefer to make their own deals with retailers.

"The year 1962 will be one of normal economic recovery from a moderate recession, and not a boom year," Dr. Pierre Rinfret, vice president and director of the economic division of Lionel D. Edie & Co., Inc., New York, said here.

Speaking on the subject, "1962: Recovery of Growth?" to more than 700 bankers attending the meeting, at the Sheraton Hotel, he warned against overoptimism in forecasting and analyzing business.

"People today are vying with each other on how high they can get their numbers," Dr. Rinfret said, "I call this a game of 'statistical one-upmanship'."

He added: "Those who are expecting a tremendous boom in capital expenditures, a key area of economic activity, are going to be mistaken; 1962 will see modest advances over 1961 with many new records established, but to expect a superboom is an error."

Dr. Rinfret was the only guest speaker on the day-long program, which was planned by Joseph J. Evans, vice president, First Pennsylvania's correspondent bank division. Automation, consumer credit and term loans to small business were the subjects of three seminars conducted during the morning.

In introducing the topic, "Problems of Automation," Alfred C. Graff, senior vice president in charge of the bank's operations, told the group that almost 500,000 of First Pennsylvania's accounts are now being handled by its electronic data processing system.

To enable the benefits, both direct and indirect, of automation to be felt throughout the banking industry, he urged the banker guests, who have not done so, to provide their customers with checks predesigned to accommodate the required magnetic ink coding.

The requirements, operating problems, customer and employee indoctrination, and the future of automation were discussed respectively by John William Hulton, vice president and director of First Pennsylvania's operations research program; Joseph A. Perret, assistant vice president, and Donald R. Patterson and Charles J. Regler, both assistant treasurers.

Rudolph A. Biboroch, vice president, retail banking department, was the leader of the consumer credit clinic, also held before noon. First Pennsylvania officers, experienced in installment lending, who participated in this question-and-answer session, were John M. Johnston, Jr., vice president, and Chester L. Cobb, Otis F. Figgis, Thomas P. Rogers, all assistant vice presidents.

TERM LOANS DISCUSSED

The third morning seminar was on term loans to small business. John A. Elseman and Norman F. S. Russell, Jr., both vice presidents in First Pennsylvania's commer-

cial department, and Carl H. Johnson, assistant vice president, retail banking department, covered the inauguration, operation and success of this lending function at First Pennsylvania.

In 1950 First Pennsylvania realized the need for introducing this service to accommodate the small businessman. Though offered initially as a public service and, also, for the purpose of answering the criticism that equity financing of this type was not being provided by banks, First Pennsylvania has had great success in this lending operation, the officials said.

Of the 8,106 loans, totaling almost \$50 million made in the 11-year period, only 25 loans, amounting to \$34,500, have been charged off.

Today the bank is lending \$11 million on a term basis to 1,765 small businesses. "We feel that this program has been a good thing for our bank and our community," Mr. Russell remarked, "and naturally are interested in seeing it spread to other banks."

After luncheon, William F. Kelly and William B. Walker, First Pennsylvania's president and executive vice president, respectively, informally discussed management considerations.

In presenting the topic "Commercial Loan Administration," William P. Davis III, senior vice president, commercial department, mentioned the change over the last 10 years in the ratio of bank loans to deposits.

In 1950, banks in the Third Federal Reserve District loaned 31 percent of their deposit liability compared to 57 percent in 1961. Ten years ago 34 percent of these banks' loan portfolios were composed of commercial loans and 16 percent were consumer loans. Today 32 percent is represented by commercial loans and 29 percent is in consumer lending, he said.

Vaughn R. Jackson, vice president, commercial department, spoke on "Making the Loan," and James F. Bodine, also a commercial department vice president, discussed "Loan Supervision."

Anthony G. Felix, Jr., vice president and secretary of First Pennsylvania, discussed selected legal problems in commercial lending. Certain aspects of loans, secured by judgments, term loans and participations, including an important statutory change, were covered by Mr. Felix. He also reminded the banker guests of the importance of re-filing financing statements under the Uniform Commercial Code.

SUPPLEMENTAL APPROPRIATIONS

Mr. BOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, there is great disappointment in the House about our not adjourning tonight, but it may not be too disappointing to the taxpayers of the Nation. It will give the House a good opportunity to check over the supplemental bill that has been reported out in the other body. The other body has increased the supplemental appropriations over and above that which came from the House by \$487 million. There have been items put into the supplemental bill in the other body that have been denied already by this House. There are some items that have been put in the supplemental in the other body that were taken out in conference between the two bodies and put back in.

Mr. Speaker, I think perhaps that although we are all disappointed, the taxpayers may get a break, because this is going to give us an opportunity to take a good, long, hard look at this important supplemental bill.

ESTABLISHMENT OF ADVISORY COMMITTEE ON KING AND SILVER SALMON

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. CLEM MILLER] is recognized for 30 minutes.

Mr. CLEM MILLER. Mr. Speaker, I have introduced for reference to the Committee on Merchant Marine and Fisheries a bill to provide for the establishment of an advisory committee on king and silver salmon.

This bill is directed to the problems that have brought about a critical decline in one of the Nation's most important fishery resources—the Pacific king and silver salmon.

About 100 years ago a fishery was founded upon the king salmon resource in the Sacramento River to provide food for California's gold miners. From this humble beginning the salmon fishery spread northward to Oregon, Washington, British Columbia, and Alaska to become, along with lumber and mining, the economic base of the entire North Pacific region.

Following the king, sometimes known as the Chinook or Tyee, other species of salmon entered the fishery. These included the silver or Coho, the sockeye or red, the humpback or pink, and the chum.

The sockeye, humpback and chum, taken almost exclusively now by purse seines and gill nets, constitute the basis for the extensive canned salmon industry. The native habitat of these three species, lying generally in the northern Pacific regions, has been less affected by encroaching civilization than have kings and silvers which range much farther south along the more densely populated Pacific coast. In addition, conservation measures by the Federal and State Governments in cooperation with Canada have maintained these species at reasonably high levels.

Unfortunately, the same is not true of king and silver salmon, from which come our highly prized salmon steaks and smoked salmon and which is the base for one of our great sports fisheries.

Salmon is king of the sport fishes from Seattle to San Francisco. Given a chance, it will continue to reign and grow in importance as a greater and greater percentage of people in a larger and larger population spend more and more of their time in ocean fishing. This means more boats, motors, fishing tackle, fuel, gear, hotels and motels, camping equipment, restaurants and resorts.

Mr. George Difani, secretary of the California Wildlife Federation, an affiliate of the National Wildlife Federation, estimates that California sport fishermen now spend in excess of \$140 million annually. A substantial part of this is spent in pursuit of salmon.

There is no way to assess the therapeutic value, the rehabilitative effects of this fine outdoor recreation.

Similarly it is difficult to say what an important protein food, based on a renewable resource that needs only rehabilitation and protection to continue its contribution to our national wealth, is worth. The value of the boats and plant equipment can be reckoned in the hundreds of millions of dollars. The wages and profits in this industry likewise reach significant figures.

Man has dealt harshly with kings and silvers. First, the miners dredging the gravel from their natural spawning beds and dumping mud and silt into the creeks and rivers took an enormous toll. Then came irrigated agriculture and the development of the great western valleys whose thirst consumed entire rivers. Irrigation dams blocked the upward migration of the spawning salmon and the rivers downstream were pumped dry. Farther north, along the California, Oregon, and Washington coasts, lumbering was also taking its toll. Clear-cut hillsides eroded into the streams, smothering the eggs and fingerlings; summertime flows were sharply reduced; water temperatures rose; streams were choked with logs and debris, creating impassable jams. Many of these watersheds have now been logged for the second time, some for the third. Many streams are now barren, the productive capacity of almost all have been sharply reduced.

The great hydroelectric dams of the Columbia Basin—and on the other rivers in Washington, Oregon, and California—have cut off forever much of the spawning grounds of the king salmon. On the Sacramento River alone, which ranks with the Columbia as the most important producer of king salmon, more than 95 percent of the spawning area has been lost. Additional dams are proposed that would all but eliminate the Sacramento king salmon, which perhaps accounts for 75 percent of the catch off the California coast.

The Federal responsibility to mitigate or compensate for direct damage to fisheries caused by Federal projects has long been recognized. Our Federal fish hatcheries and fish ladders are examples of this. But this useful work has proved insufficient; the species continue to decline.

This fact was strikingly pointed out by 24 of the west coast's leading fishery experts at the Conference on Northern California Fisheries Problems on November 15, 1959, at San Rafael, Calif.

These witnesses, representing the Federal agencies plus the States of Washington, Oregon, Idaho, and California, commercial and sports fishing interests, enunciated the problems. Their testimony is included in House Document No. 370, 86th Congress, 2d session.

There are two other Federal responsibilities which have not always been recognized. This conference record emphasizes the urgency of implementing two recent Federal statutes by which Congress spelled out these responsibilities: Public Law 86-359 (73 Stat. 642), and Public Law 85-624 (16 U.S.C. 661, et seq.) which is the 1958 amendment

to the Fish and Wildlife Coordination Act of 1934.

Public Law 86-359 authorized and directed the Secretary of the Interior to conduct and coordinate basic research on the migratory marine species of sport fish—which includes salmon.

The 1958 amendment to the Coordination Act authorized Federal agencies planning water development projects to provide for enhancement of fish and wildlife. Previously they had specific authority to provide only for mitigation or replacement of direct loss.

The record of the San Rafael conference shows the following consensus:

First. The Federal Government has a well-established responsibility for basic research having broad application to fishery resources. The reasons are obvious. The unanswered "why" questions in this field are regional and national in character—and, in the case of the salmon, even international. The State agencies' facilities and funds are necessarily too limited to do the job in most cases. The States have their hands full in fulfilling their responsibilities to manage their fish and game and to conduct applied research applying to their own special problems.

Second. The Federal Government also has a responsibility to provide the leadership and coordination and encouragement in both research and good conservation practices.

Third. In regard to the Pacific coast's deteriorating salmon-steelhead fisheries, a real problem of great magnitude exists.

Fourth. Basic research is the key to this problem. There is vital need now for an expanded program of basic biological research on these species, especially on all phases of propagation, natural and artificial; manipulation of streamflows to create effective spawning and survival environments, diseases, nutrition, improvement of hatchery techniques, and related questions.

Fifth. Time is of the essence. As one conference participant emphasized:

With the virtually exploding population and development of this area—the Pacific coast—time is running very short. It will be of little avail if we do too little too late. We may find that we have no fishery resource to protect.

There is a widespread understanding and acceptance of this Federal responsibility among the States and the sports and commercial interests. Mr. William Warne, then director of the California Department of Fish and Game, in testifying at the San Rafael conference said:

As I see it, Federal responsibility in this area is of several kinds, most obvious is in the case of Federal water, flood control and navigation projects wherein the National Government is obligated to protect and maintain the fisheries.

Another Federal responsibility, not always recognized, is to conduct, or at least finance, the basic research on the interstate resources.

A third countrywide responsibility is the compilation, publication and dissemination of information on fishery research and conservation. Room for improvement exists in this field.

Fourth is the seldom mentioned but sorely needed responsibility to provide leadership and coordination—not the assertive,

dominating taking over of all the glory, but the everyday friendly guidance and cooperation that calls for so much skill and patience.

The responsibility for the conduct of foreign affairs and the vesting of the treaty-making power at the Federal level places a fifth, and at times a dominating responsibility on the National Government, especially in connection with some of our fishery resources, such as the salmon.

The Federal Government as represented by the Fish and Wildlife Service could do everyone a great service and save us all a lot of time and money by entering into a planned program of basic salmon research. We all need basic answers on the dynamics of the salmon, what makes abundance fluctuate so widely? What are the relative effects of different forces and conditions causing mortality? What stages in its life history is the salmon most vulnerable? What is the salmon's reaction to changes in its environment? What are the factors that limit salmon abundance? How best can artificial propagation contribute to increasing salmon production?

With the Federal Government obtaining answers of this kind, and disseminating the information to the conservation agencies, the States will be able to concentrate their efforts on applying the knowledge to local problems. Instead of picking away at the fringes and having to spend money and effort on piecemeal basic and applied research, the States could do a lot better job of salmon conservation.

Mr. Richard Croker, chief, Marine Resources Branch of the California Department of Fish and Game and chairman of the Pacific Marine Fisheries Commission, is recognized as one of the world's foremost authorities on salmonoid fishes. Mr. Croker had this to say at the San Rafael conference:

Generally speaking, conservation for these marine species consists of research to establish their abundance and potential yield, enactment and enforcement of necessary regulations, and a close watch on fluctuations due to natural and fishing pressures.

This is not sufficient for the anadromous species. Encompassed in the salmon and steelhead we have all the accelerating bad effects of a burgeoning population on both the fish and their environment.

Annually, more people fish for salmon in more rivers and out of more ports. The same people and their friends create more pollution, divert more water for irrigation, use more gravel for construction, build more dams for electric power, straighten more rivers to prevent floods, and use more water in their homes.

This all adds up to a greater harvest of fish accompanied by a lessening of amount and quality of spawning area. Unchecked, this trend can lead only to disaster.

Commercial salmon catches off the California coast dropped from a record high of 10,300,000 pounds in 1956 to 5,100,000 pounds in 1957, and a miserable 3,700,000 in 1958.

Salmon is interstate; in fact, international. The fish don't know boundaries. Fish produced in the Sacramento River, for example, are taken as far as Canada, and in large numbers in Oregon and Washington. Just the reverse is true for the Columbia River, and so they are taken as far south as California. So, there has to be cooperation.

Mr. Ray E. Welsh, president of Salmon Unlimited of California, an organization of sport and commercial fishermen, told the conference:

We have found a decided difference in policy between branches of State government, branches of Federal Government, and

between Federal and State agencies. These should all be resolved into one uniform basic policy, and Salmon Unlimited is working toward this end.

While we recognize that the problem exists and in many instances what must be done, the plain fact of the matter is that we are not doing nearly enough—our inaction is almost certainly dooming this resource.

Mr. Joseph T. Barnaby, Chief, Division of Sports Fisheries, Bureau of Sports Fisheries and Wildlife, U.S. Fish and Wildlife Service, Portland, had this to say at the conference:

In brief, then, there is a real need for:

(1) Further research on all phases of salmon and trout propagation, both natural and artificial, as well as on fish-protected devices.

(2) A marked expansion of our Fishery Management Service's activities.

(3) An increased tempo in our basinwide approach to studies of water-developed programs.

(4) A carefully considered and conservative expansion in the Federal program of artificial propagation of salmon and trout.

Mr. Barnaby, in answer to the question of how many biologists were on duty on the west coast for the new Federal Fishery Management Services, said there were only two for the States of Montana, Idaho, Nevada, California, Oregon, and Washington, and that "as a very minimum in this region we would like to have about 10 personnel, and that would be a minimum."

There are those who tell me that an advisory committee would be a duplication, that the Pacific Marine Fisheries Commission is doing this job. I think not. The record is clear. The job has not been done, is not being done, and is not likely to be done.

This is in no sense a criticism of the PMFC. It is a splendid organization and is doing a fine job for which it was established by the States of Oregon, Washington, and California 13 years ago. It is, however, a purely advisory body composed of representatives of the governments of the three compact States operating with a minimum staff on a minimum budget concerning itself with all aspects of the west coast fishery—with crab and shrimp, sole, cod, tuna, and a host of other fishes. The fact that its membership must, in the first instance, deal with the problems and pressures of their separate States often preclude it from taking the bold action that will be necessary to save this salmon resource. It does not seem likely that it will or can give the kind of attention necessary to bring about the conservation and enhancement of the salmon resource.

The certain need for immediate action seems apparent. Not so certain however is just what should be done, in what priority, and by whom. Differences of opinion appear to exist here. This is why we need an advisory body—accepted by both State and Federal agencies—that will devote its entire time and energies to the problems of the salmon resource, that will give the continuing attention, that will tell Congress and the States what should and must be done—not from the narrow parochial view of the sports-

man, the commercial fisherman or the packer or an elected or an appointive official buffeted between the forces of conservation and greed. We need to know what is best for the resource.

We are agreed that the resource is worth saving. Now let us save it.

FROM THIS NETTLE, DANGER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Minnesota [Mr. Judd], is recognized for 30 minutes.

Mr. JUDD. Mr. Speaker, so long as the West fails to make a "hard" response to the aggressions of the Soviet Union, so long as it reacts in a mild, not to say terrified, way, the Communists will continue to probe and push us further and further toward either war or surrender. In the process, they will come perilously close to precipitating war by mischance, perhaps through a border incident, by miscalculation, or by the process of escalating the prestige factor—where both parties find themselves so far involved that neither can afford to back down. That is the danger of the sort of "brinkmanship" which Khrushchev is now practicing.

It is far better to lay it on the line, now, plainly telling Khrushchev what the consequences will be from his actions, instead of reacting over the sealing-off of the jailhouse gates of East Berlin with a rather flabby protest, containing no actual reprisal, whatever; not even threat of reprisal.

I must agree with Senator Dobb who recently, in a speech in the Senate, outlined what should have been done immediately in response to the cutting of Berlin in two. He proposed:

First. The organization of a massive airlift to Berlin of thousands of journalists from all over the world to see this thing for themselves and to write about it.

Second. The immediate suspension of all shipments of machine-tool and chemical-processing equipment to the Soviet bloc.

Third. The recall of our ambassadors from the satellite countries for an indefinite period, coupled with a warning that further complicity in the Kremlin's aggressions will result in further diplomatic sanctions.

Fourth. A raising of the issue in the United Nations, along with an inquiry into the reasons for the massive flight of refugees from East Germany and the setting up of a commission for examining the question of self-determination for the German people. Surely the newly emergent countries which insist so strongly on their own self-determination would join the West in agreeing that self-determination is a principle which should apply universally rather than in spots and patches.

Although nothing resembling these actions were taken at the time, it is still not too late to take them.

The immediate result of Khrushchev's getting away with sealing off half of Berlin from the other half, was for him to try other moves, in the familiar pattern of communism's famous "salami-

slicing" technique. Before August 13 there were 80 different places on the borders between East and West Berlin where people could cross over. Immediately this was cut down to 12, with all egress barred to East Germans. Then Khrushchev cut the number of checkpoints down to seven, only one of which could be used for the passage of Allied personnel—imagine that—a slight pause to see how we would take that and then—when nothing happened—he caused the East Berlin commandant to insist that all persons in the West sector stand back 100 meters from the "Concrete Curtain."

Thank God we did not accede to that. If we had, Khrushchev would have immediately thought—and with justification—that we were so spineless that he could try anything, almost, and get away with it.

We are actively engaged in a war of nerves, or of nerve, with Khrushchev. He has deliberately set a collision course with the West to test our nerve. He expects our nerve to fail at the last moment and for us to give way.

I believe this is a miscalculation, however fateful and possibly fatal; but it must be admitted we have given him justification for it, by our failure in other tests to make strong, vigorous, prompt response. In two critical tests just before this, he observed that we did not defend either our own national interest or our international obligations—promises we had made. I refer, of course, to Cuba and to Laos. Our submission to the entirely illegal action of cutting Berlin into two cities—not to speak of the barbarous inhumanity of it—our hesitation, unreadiness and indecision, our unwillingness to take any strong stance, the bumbling statements of some of our officials, the extreme terror shown by editorials in some of our leading newspapers over anything which might displease Khrushchev, the very fact that we are the seekers of a meeting now—in fact, the humble petitioners for it—all suggest to Khrushchev—and others—that we apparently have been so softened up that we are almost ready for the kill.

In a very special sense, we not only owe it to ourselves and our allies, but to our enemy to make it unmistakably plain what our intentions are and to advertise those intentions by actions, not words, so that he will not be misled, in the end. Both the Kaiser and Hitler had the idea that we were so soft and decadent that we would not go to war. A too-soft and timid policy now with Khrushchev inevitably gives him the same idea.

As David Lawrence said in a recent editorial: "Wars come from timorousness, and not from resoluteness."

We owe it to ourselves, our allies, the whole of the civilized world, in fact—as well as to the enemy—to demonstrate that we are not terrified to the point of being unable to react vigorously and decisively, that our hands are not tied by our allies, and that certain further actions by the Soviet Union or its satellites will be met by certain definite actions by us and that, while these actions will be short of atomic war, they will be extremely disagreeable to the Soviet bloc.

The primary assumption behind a so-called hard policy toward Khrushchev is that he does not want to precipitate nuclear warfare any more than we do and that if he were utterly convinced that such a war was bound to develop he would avoid the issue. What he does want most avidly is the fruit of a consummate political-warfare victory; and he thinks he sees it almost within reach, without too much cost to communism. It is up to us to convince him by a series of projected actions, not mere words of protest or threats, that we will fight all out if he forces us to—that his contemplated moves in producing that fight will be much too costly for him.

So, what kind of projected actions should we take to make sure that Khrushchev will get the message, loud and clear, that we really do mean business over Berlin, a place which is so critical and crucial now for us that it is not merely the freedom of the people of Berlin but the freedom of Europe, and even of the whole world, which hang on what happens there.

Khrushchev has presented the West with challenge, in the Toynbeeian sense. What of our response, in a way which can give hope of diverting nuclear warfare?

May I suggest a series of proposals which will come well within the area demarked by the President in his July 25 speech when he called for a buildup of our conventional forces for the long term to meet Soviet aggression anywhere in the world and laid down this specification: "We intend to have a wider choice than between humiliation or all-out nuclear action."

What I propose is well short of all-out nuclear action, and will, I believe, save us from more of the humiliation we have recently suffered.

I propose a series of phased retaliations which, if outlined plainly to Mr. Khrushchev beforehand, could have the most salutary effect upon his thinking.

The Western occupation powers should outline now the steps they will take in retaliation, if the Soviet Union should carry out its repeated threat to sign a separate peace with East Germany, by which it seeks unilaterally to end their rights in Berlin. These are some of the steps:

First. All joint agreements entered into by any of the Western occupation powers with the Soviet Union toward the close of World War II will be considered at an end. This would mean that the status quo of East Berlin and East Germany and the special powers we have recognized the Soviet Union to have in those areas would go by the board and have no more binding effect upon us. The same would be true of the special powers exercised by the Soviet Union in all the satellite countries of Europe. This would wipe out, so far as the West is concerned, any legitimacy of the provisional boundaries established in Eastern Europe, frontiers which Khrushchev has long sought to nail down in permanent, legal, recognized form.

Thus, Khrushchev would find himself in a worse, rather than a better, position to get what he calls "acceptance of the historic changes." What he means by

this phrase is the legitimization of all the grabs the Soviet Union has made of Eastern European lands and people. Not only has he worked hard and long to have these grabs accepted and regularized for the purposes of real estate, but he wants the people of these countries to feel the hopelessness of their position, the uselessness of resistance. What he wants most of all is to convince them that the West has finally abandoned them to the Soviet Union.

So, since the last thing that Khrushchev wants is to have the "historic changes" loosened, rather than nailed down, such a clear statement of our purposes would make him think twice.

Second. All pending negotiations on disarmament and related matters will immediately be brought to an end.

Third. In the second phase, the Allied Powers will break all diplomatic relations with the Soviet Union and its satellites, sending home all their missions.

Fourth. The third phase will be imposition of a "quarantine," or economic sanctions, on all commerce with the Soviet Union and its satellites, just as an embargo is threatened by the Communists against Berlin. This would include all transactions.

I firmly believe that the explicit and public outlining, in advance, of such steps which the Allied Powers would surely take would give most serious pause to the Soviet Union in its course. It could deter Khrushchev from signing the peace treaty with East Germany, and defer the crisis over Berlin for an indefinite period.

Who could deny that these steps, all intermediary between, and offering a wider choice than "humiliation" and "all-out nuclear action," would more effectively open Khrushchev's eyes to our determination than just the steps outlined by the President in his July 25 address to the Nation or his warnings about Berlin since.

And who would be so self-assured as to say that we do not need to make the message of our determination as strong and explicit as possible, in the face of Khrushchev's confident pushing ahead?

In the event that the steps outlined above were not sufficient to deter Khrushchev from signing a separate treaty with East Germany, a thing which Walter Ulbricht says would be the prelude to the imposition of blockades on the access routes to Berlin from the West, we would not find we had used up all our "ammunition."

After K. signs with East Germany but before the imposition of any blockade of Berlin, we could and should take the following steps:

First. We should declare that all "actions by proxy" of a satellite state would be henceforth regarded by us as the actions of the Soviet Union, just as a principal is held responsible for the acts of his agent. We have, for too long a time, permitted to go unchallenged this business of the Soviet Union acting by proxy behind a fake legalistic shield. It must now expect to face the penalties for its own acts, however disguised as the acts of others.

Second. We should state that any hostile act of blockading Berlin would engender counteractions of blockade by

us. For instance, we would institute naval blockade of the Baltic, Black, and Mediterranean Seas against Soviet and satellite vessels. Surely, what is fair for one side is fair for the other. No longer should one side have a "privileged sanctuary" to take offensive action, without expecting to be met by action in kind.

One of Khrushchev's wildest schemes, in regard to blockading Berlin is to try to put the onus on the West for making the first application of force, or for firing the first shot.

But, with counterblockade of three seas, the Soviet leaders would be hard pressed either to "holler uncle" first or fire the first shot to break our blockade. As chess players, the men of the Kremlin would hardly want to trade the queen of their own isolation for the pawn of Berlin's isolation.

It will be said at once that many of these things I have suggested run the risk of war. Of course. But not to do them runs greater risk of war. I submit that, unless we are willing to risk war to uphold the whole freedom of the West and to forestall surrender, we have lost the war at the very beginning. There is no way to escape the risk of war entirely. The question is which courses offer least risk—and greatest hope.

To allow the Soviet Union to advance, step by step in their nibbling technique, involves greater risk of war than trying to stop them where they are. To what can a do-nothing ineffective temporizing policy lead except a final showdown under least advantageous conditions?

A doctor faces the same sort of problem in a cancer case when the patient says "No—let's wait awhile." But to "wait and see" in dealing with a malignantly spreading process is not "playing safe," as it may seem; it is the most dangerous course one can follow. The temporizing, the putting off of the evil day while the cancer spreads, makes the operation all the more dangerous, when it comes, and frequently hopeless.

The risk of war could be somewhat cut down by adopting, ourselves, some "salami-slicing" techniques. Instead of threatening to clamp blockades on all three seas, at once, we might do it one after the other.

Yet another variation would be to declare our intention to seize a Soviet tanker on the high seas for every convoy harassed or halted on the roads in and out of Berlin.

For that matter, we could well show our increased and increasing firmness by establishing a "Pacific blockade" around the Soviet Union's new satellite, Cuba, halting all Communist-flag vessels.

And a salutary action we should certainly take in southeast Asia, at the first sign of the breaking down of the ceasefire in Laos, would be to correct our position of weakness in that area, the picture of supineness we have given the world, after bold words by the President.

We should go into Laos with air support and guerrilla warfare instructors, while calling on the Asian SEATO powers for ground forces which some of them offered many months ago. We can and should maintain these forces by air.

The situation there is by no means hopeless if we have the will.

Such a move as this would yield a double benefit; not only would it restore confidence in us as a dependable ally in southeast Asia and encourage other countries there to continue resistance, but it would have considerable bearing on Berlin. It would advertise to Khrushchev that the whole political climate of Washington had changed.

I hope that, in making these strictures, I do not give the impression that I disapprove of the President's television address on July 25. On the contrary, I approve 100 percent—as far as it went. I particularly applaud his offer to negotiate all those problems about Berlin which are negotiable—that is to say, those things which do not violate first principles.

Splendid, too, was the way the President pressed the matter of a settlement of the problems of West and East Berlin, as well as West and East Germany, by plebiscites. This initiative should constantly be pressed. For it conclusively demonstrates to the world that it is the Soviet Union—not the West—which is keeping the German nation apart, keeping the sore of Berlin open, and maintaining the "abnormal" situation about which Khrushchev tries to appear so upset.

While the President's program does not go far enough to have maximum effect on Khrushchev, the very speed and unanimity of Congress in passing the requested program had a potential all its own to impress any knowledgeable beholder. This speed and unanimity put the stamp of approval by the American people on the President's words: "We cannot and will not permit the Communists to drive us out of Berlin, either gradually or by force."

There are domestic aspects of the President's TV address which should have their repercussions in Moscow, for better, for worse; for harder, for softer.

It is obvious that the President wanted to alert the country to the seriousness of the situation, that Berlin is the great testing place of Western courage and will, without causing a war scare of panic proportions. The President has the task not only of convincing Khrushchev that we are adamant about the continued freedom of the people of West Berlin, but he has the job of convincing the American people that we are truly getting into a situation from which there may be no exit but war.

I am not sure that the American people got the message any better than Khrushchev. The chief effects on this side of the water seemed to be to send the stock market up and to inundate draft boards with inquiries by individuals as to their status. Otherwise, we seem to be free to go on our normal way, fat and irresponsible, uncalled to sacrifice or to greatness.

Just as there is no call for general mobilization there is no declaration of national emergency. While it was admitted that the newly outlined program will cost \$3.2 billion in its first year, no effort was made to have the American people realize this fact in the tangible

form of increased taxes, or reduction of other expenditures for projects that are good but not absolutely necessary.

While the President asked that waste and extravagance be held down, he specifically asked Congress not to touch his own peacetime, long-term spending program.

One thing which a nation—even so rich a nation as the United States—should not try to do is to carry on business as usual if we wish our enemy to believe we are serious about facing up to this crisis. We say it may soon erupt into war, but we do not act as if we believed it. If guns are being called for, are we to expect no slightest sacrifice in butter?

It is most unfortunate that the President did not call for at least some modification of his long-term programs for peacetime. For this is not peacetime. He left it up to Congress to resist, unled and unaided by the administration, the business-as-usual syndrome. This is either a real emergency we are facing or it is not. How the administration looks on it, in all its aspects, will not be lost on Mr. Khrushchev.

Among the other legislation which should be sent to the Hill at the earliest moment, if the President is to convince the American people or any other interested parties that he means business, is a request to enact a standby War Powers Act. I called for this in June. And here we are about to adjourn at the end of September. The President should have in his desk a standby act that the world knows he can use to put our country instantly upon a wartime economy, should the Kremlin attack. Without such action by the Congress, the Kremlin gang can tip each other the broad wink whenever they hear our President talk tough.

It is not because I want such drastic measures that I advocate their enactment, but precisely because I do not want them. To show that we mean business is the best way to deter Khrushchev from actions which would require actually putting these measures into effect, instead of having them on a standby basis.

On this matter of toughness, there are too many Americans, apparently, who are oppressed by the fear that something we do, or even say, will suddenly enrage Khrushchev—whom they regard as a sort of madman—and atom bombs will begin to fall.

To those I would say this: Nothing we can do or say will make Khrushchev either more or less implacably determined to bury us just as soon as he thinks the time is ripe so that he can move with comparative safety. I would even say this, in a figurative sense, that when Mr. K. took off his shoe and waved it at the U.N. Assembly, a delegate from the free world might have taken it away from him and banged him over the head with it, without danger of war.

Because, while Khrushchev's first impulse would have been one of astonished anger, his second and controlling thought would more probably have been cautionary: "What makes these people so bold? They must have something we don't know about."

Two tangential problems arise. The first is about our allies. It may very well be that they will not want to go along with us on a "hard" attitude toward the Soviet Union's expansionism. In such case, even if we convince Mr. Khrushchev that our own intentions are fixed and unalterable to accept war rather than surrender the freedom of West Berlin, the men in the Kremlin would tend to feel that we would be restrained by our allies, particularly the British.

President Kennedy, just recently and with a wry expression, quoted Napoleon to the effect that he owed his successes to the fact that he was always opposed by an alliance. As though to illustrate the point, just as Mr. Kennedy was calling for increasing our own Military Establishment, the British Government announced its intention of cutting back on military expenditures. The timing could not have been more closely calculated to muffle the desired total impact of the President's speech.

Of course, for some time now, the British have been having trouble with a large and vociferous wing of the Labor Party which is so surrender-minded, already, that it calls on the West to disarm, unilaterally, without even requiring any disarmament moves from the Soviet Union. It may be that the Soviet rulers are counting on these people as important "reserves" on their side during the present tension.

I am at a loss how to disabuse the mind of Khrushchev that he should not depend too utterly on these people who live in a cloud-cuckooland all their own. How much effect they can have on the British Government I do not know. But I do know, as a matter of history, that when the chips are finally down, the British people are found on the frontlines of liberty.

We might cut across this whole problem of allies by telling them and Mr. Khrushchev that we are sure other nations will join in defense of Berlin, but whether they do or not will not alter our intentions. We will resist alone, if necessary, at moments and places and by methods of our own choosing.

The other tangential problem is about allies of another sort. These are perhaps our best allies of all, the millions behind the Iron Curtain, particularly those in the satellite countries of Eastern Europe. We owe it to them, if these steps I have outlined are taken, to warn them over the heads of the Kremlin not to do anything premature. Only in the event of the start of actual hostilities should their undergrounds start active measures, those acts of sabotage and disruption of communications and other steps available to a resistance movement, which will weaken their oppressors and help earn for themselves their liberation. Some terrified editors to the contrary, we have a right to urge these undergrounds to work for and hold themselves in readiness for that day.

At base, the whole problem of defeating the thrust for Berlin comes down to one of nerve. If we suffer a failure of nerve, we are gone. There is no substitute for raw courage in a situation of

this kind. We must make it our precept: "From this nettle, danger, we pluck this flower, safety." And the touchstone is courage.

Another precept we must hold to comes from the Bible: "For if the trumpet give an uncertain sound, who shall prepare himself to the battle?"

We are now in a situation which calls for the trumpet of leadership to give forth no further uncertain sounds. The summons it will speak to the American people must be loud and clear. The warning it sounds to the enemy camp must be unmistakable.

In dealing with dictators it has ever been the vice of the West that its responses have been "too little and too late."

Let us not add "too soft" to the list.

Mr. Speaker, what I have just spoken to you is an article written in June with the thought it might be useful in one of our national magazines. Things were changing so rapidly on the international scene that most editors hesitated to accept something that they thought might be outdated in 2 or 3 weeks. I brought the article up to date after President Kennedy's address to the Nation on July 25. No better luck. I modified it further after the coup in East Berlin. The essential proposals remain sound and solid, I believe, and will continue to do so. The more the superficial things change, or seem to change, the more the basic factors remain the same. One by one they are being suggested also by others.

It is still not too late, Mr. Speaker, to pluck from this nettle of danger our safety, our life as a free Nation and people.

LET'S LOOK AT THE REPUBLICAN RECORD WITH REGARD TO THE FINE ARTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Delaware [Mr. McDowell], is recognized for 30 minutes.

Mr. McDOWELL. Mr. Speaker, in her column in the October 1961 issue of McCall's magazine, Mrs. Clare Boothe Luce writes that:

Our Government does less toward the support of art and culture than any civilized nation. In fact, almost nothing. Soviet Russia spends a great deal on cultural programs, and all the free nations of Europe subsidize, to some extent, their art and artists. To win the cold war, we must gain ascendancy over the minds of men. We have sorely neglected the role a Nation's art and culture play in accomplishing this. We have impressed people by our intellectual attainments, material possessions (including armaments), and power. But it is only through a Nation's arts and literature that other nations discover it has a soul.

Although we have created a great political and economic democracy, we have not yet created a great cultural democracy—a democracy that vigorously, consciously, and purposefully helps bring the enduring values of the arts into our own daily lives as well as to the peoples of other lands. I think, however, that the United States is on the eve of a tremendous and fruitful cultural explosion, which could be triggered by Government recognition and support of the performing and other arts.

Congressmen have been battling public apathy (and private pressures), ever since I can remember, in an effort to provide Federal encouragement to cultural activities. A great deal of legislation has been introduced in Congress toward this important goal. In his 1955 state of the Union message, President Eisenhower said, "The Federal Government should do more to give official recognition to the importance of the arts and other cultural activities." He proposed a permanent Federal Advisory Commission, under the Department of Health, Education, and Welfare. The proposal passed the Senate but was too late for action in the House."

This editorial by the brilliant and distinguished Mrs. Luce comes at an especially interesting time. Just this week, on Thursday, after a debate on Wednesday, the House voted 173 to 166 against enacting into law the Federal Advisory Council on the Arts which, as Mrs. Luce points out, was recommended first by President Eisenhower in his 1955 message on the state of the Union.

It is extremely interesting that the bulk of the opposition to this bill was provided by Members of General Eisenhower's own party, while the major support for it came from the Democratic Members of the Congress.

The crucial vote against the bill to establish the Federal Advisory Council on the Arts was cast by the minority leader, the gentleman from Indiana [Mr. HALLECK], who was personally chosen and was handpicked by President Eisenhower in the leadership contest with the gentleman from Massachusetts [Mr. MARTIN].

After all of the excellent national publicity which President Eisenhower received for his sponsorship of this particular legislation to advance the fine arts during his two terms in the Presidential office, and, indeed, that he is still getting, witness Mrs. Luce's article in McCall's to which I have referred, it might be thought by some hardy souls concerned with the arts that the Republican Party was rendering only lip service to the arts.

It may be recalled that it was due to President Eisenhower's sponsorship of legislation to establish a Federal Advisory Council on the Arts that the cultural leaders of the country formed the Committee of the Arts and Sciences for Eisenhower—CASE—in the fall of 1956 to insure his reelection. The Case committee was very persuasive and extremely effective.

In view of the Republican performance on Wednesday and Thursday of this week in opposing the Federal Advisory Council on the Arts, and in making the major contribution to its defeat it may well be that the cultural leaders of our country should now review this performance and make a critical analysis of why it is that the Republican leaders talk one way and vote another.

Perhaps Mrs. Clare Boothe Luce herself could lead in making this analysis.

It is long overdue because all of the Republican leaders are guilty of misleading the people with regard to their devotion to the fine arts.

During the Presidential campaign last fall you will recall that the then Vice President, Richard M. Nixon, wrote a

letter which was published in the Saturday Review of October 29, 1960, in which he declared:

In my opinion, it would be better, at this time to appoint an Advisory Council on the Arts, composed of the best qualified Americans in all the cultural fields, than a Secretary of Culture. In this way, the views of a large number of competent professionals in the several arts could be heard nationally. This Council should make recommendations to the President and Congress as to the best line of Federal action in support of artistic endeavor. It might also be helpful in suggesting steps by which State and local governments might stimulate private cultural activities.

Legislation to create such a council has been introduced in Congress with broad bipartisan backing. I support this idea, and will work for its passage.

In Equity magazine, published by Actors' Equity Association, again during last fall's Presidential campaign, Vice President Nixon reiterated the Republican Party's support of President Eisenhower's proposed Federal Advisory Council on the Arts.

The Actors' Equity Association is headed by the great actor, Ralph Bellamy, and Helen Hayes is one of its most distinguished members. This major cultural organization is affiliated with the AFL-CIO.

Vice President Nixon told its members that—

I wholeheartedly support the objective of stimulating the advancement of the performing arts and promoting increased public appreciation of their important role in our national life.

I think that a good first step toward meeting that objective would be a proposal by this administration to create a Federal Advisory Council on the Arts within the Department of Health, Education, and Welfare.

The Council would explore all aspects of the question—including the proper function of the Federal Government in cultural development—and make recommendations as to the best methods by which we can encourage activity in the performance and appreciation of the arts as well as fostering participation in them.

It seems to me that laying this groundwork is necessary before we go on to consider specific proposals such as the establishment of an independent U.S. Art Foundation to undertake operating programs, as provided in the Javits-Clark bill.

Once we develop the basic guidelines, we can then study alternative programs, and choose the one that will effectively promote the full development of our performing arts.

This, then, was the cultural program with which the Republican Party went to the country, and for which it obtained more than 30 million votes.

It is high time that the cultural leaders of the Nation, particularly Clare Boothe Luce, Helen Hayes, Howard Hanson, and those who were instrumental in setting up the Committee of the Arts and Sciences for Eisenhower—CASE—in 1956 and Celebrities for Nixon in 1960, examined the Republican Party's voting record with regard to the fine arts, and not just stop with an examination of what the Republican Party's candidates for President and Vice President say about the arts.

To paraphrase the immortal words of Al Smith, "Let them look at the record"

for it is, indeed, performance, and not lipservice that counts.

If they will look at the record on the Federal Advisory Council on the Arts they cannot fail to take notice of the determined and courageous way in which our distinguished and brilliant colleague from New Jersey [Mr. THOMPSON] has fought for this proposal since 1955 when it was first proposed by former President Eisenhower.

Under his leadership it has been the Democrats in the Congress who have consistently and capably fought for the establishment of the Federal Advisory Council on the Arts.

I know that the Democratic Members of the Congress will continue to work for the establishment of the Federal Advisory Council on the Arts. It is particularly important at this time for the Senate to take this legislation up and hold hearings on it, and pass it there. With the help of the Nation's cultural leaders and President Kennedy, whose interest in the fine arts is well known, this legislation could be enacted into law early in the next session.

There is no reason why, after the vote this week, our cultural leaders should not be discerning as to which Members of the Congress, and which political party, is really serious and honest in their statements and actions in support of the arts and which Members of the Congress and which political party is not.

In her article in McCall's magazine, to which I have been referring, Mrs. Luce calls for support of the National Cultural Center, and I should like to note that the legislation to establish this long-needed cultural facility was sponsored by our colleague from New Jersey [Mr. THOMPSON] and by the distinguished chairman of the Foreign Relations Committee of the Senate, Senator J. W. FULBRIGHT. Both are Democrats.

Mrs. Luce writes in her McCall's article that "the money for erecting the center was supposed to be privately raised in the next 5 years. I suspect that without Government help this project will never materialize."

I think it would be readily apparent to almost everyone, including Mrs. Luce, that since more than \$100 million has been raised from private sources, and in particular from the Ford and Rockefeller Foundations, for New York City's Lincoln Center of the Performing Arts during the past 3 years that it is possible to raise whatever sums are necessary to build the National Cultural Center in Washington, D.C.

It is necessary, however, to appoint to the board of trustees of the National Cultural Center men and women as capable as those who are heading up the Lincoln Center of the Performing Arts.

I would like to urge at this time that Mrs. Clare Boothe Luce would be, for a number of reasons, an ideal person to be a member of the board of trustees of the National Cultural Center, not the least of which is her position within the Republican Party. She undoubtedly would, as a member of the board of

trustees of the National Cultural Center, be in a position to begin to match Republican performance with Republican promises.

As for the Democrats, I would urge at this time the appointment of Mrs. Thomas Bayard of the great Du Pont family of Delaware, as a member of the board of trustees of the National Cultural Center.

With appointments such as these the National Cultural Center could soon become a living thing, and make its contribution to the advancement of our Nation's cultural life.

I include, as part of my remarks, the article by Mrs. Clare Boothe Luce from McCall's magazine for October 1961, which I have quoted:

A MONTHLY COMMENTARY BY CLARE BOOTHE LUCE

Should our Government subsidize the arts, as governments of so many other countries do? I believe it should. Our Government does less toward the support of art and culture than any civilized nation. In fact, almost nothing. Soviet Russia spends a great deal on cultural programs, and all the free nations of Europe subsidize to some extent, their art and artists. To win the cold war, we must gain ascendancy over the minds of men. We have sorely neglected the role a nation's art and culture play in accomplishing this. We have impressed people by our intellectual attainments, material possessions (including armaments), and power. But it is only through a nation's arts and literature that other nations discover it has a soul.

Although we have created a great political and economic democracy, we have not yet created a great cultural democracy—a democracy that vigorously, consciously, and purposefully helps bring the enduring values of the arts into our own daily lives as well as to the peoples of other lands. I think, however, that the United States is on the eve of a tremendous and fruitful cultural explosion, which could be triggered by Government recognition and support of the performing and other arts.

Congressmen have been battling public apathy (and private pressures) ever since I can remember, in an effort to provide Federal encouragement to cultural activities. A great deal of legislation has been introduced in Congress toward this important goal. In his 1955 state of the Union message, President Eisenhower said, "The Federal Government should do more to give official recognition to the importance of the arts and other cultural activities." He proposed a permanent Federal advisory commission, under the Department of Health, Education, and Welfare. The proposal passed the Senate but was too late for action in the House. During this administration, there were legislative proposals for the creation of a Department of Fine Arts, to be headed by a man of Cabinet rank, for an Assistant Secretary of State for Cultural Affairs, for a Federal Advisory Council on the Fine Arts. All these proposals died in committee.

In 1959, Senator JACOB JAVITS, of New York, introduced bill S. 1250, which called for the establishment of a U.S. Art Foundation and requested Government subsidies for the various arts—music, dance, theater, poetry, and opera. This bill did not emerge from committee in the last 1960 session of Congress, and it did not emerge in the first session of Congress this year.

In August of 1958, Congress appropriated 10 acres of land in Washington, on the Potomac near the Lincoln Memorial, for a National Cultural Center. The design, drawn

by famed architect Edward D. Stone, calls for a multipurpose structure, to be used as opera house, concert hall, theater, auditorium, exhibition hall, and so on. But the money for erecting the center was supposed to be privately raised in the next 5 years. I suspect that without Government help this project will never materialize.

The prevailing estimate of President Kennedy is that he is an intellectual and a man of culture. It is to be hoped, then, that he may be able to move the Congress, which his party now controls, to back bill S. 1250 and the cultural center, or otherwise find a *modus operandi* for helping realize our great cultural potential.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Messrs. ANFUSO, RODINO, DANIELS, FASCELL, DENT, SANTANGELO, MACDONALD, and HALPERN (at the request of Mr. McCORMACK) on account of official business, Presidential appointees attending Italian Centennial, in Italy.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CLEM MILLER, for 30 minutes, today.

Mr. ROUSSELOT (at the request of Mrs. MAY), for 1 hour, today.

Mr. JUDD, for 30 minutes, today, and to revise and extend his remarks.

Mr. McDOWELL, for 30 minutes, today, to revise and extend his remarks, and include extraneous matter.

Mr. CANNON, for 30 minutes, on Monday, September 25, and 30 minutes, on Tuesday, September 26.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ZABLOCKI in two instances and to include extraneous matter.

Mr. ROUSH.

Mr. HECHLER in two instances and to include extraneous matter.

Mr. MACGREGOR (at the request of Mr. LANGEN) in two instances and to include extraneous matter.

Mr. JENSEN and to include a copy of a bill.

Mr. GEORGE P. MILLER.

(The following Members (at the request of Mrs. MAY) and to include extraneous matter:)

Mr. AYRES.

Mr. HARSHA.

Mr. MOORE in two instances.

Mr. SCHERER.

Mr. DOLE.

(The following Members (at the request of Mr. EVERETT) and to include extraneous matter:)

Mr. MOORHEAD of Pennsylvania.

Mr. GIALMO, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost \$182.25.

Mr. GILBERT.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 521. An act for the relief of Charles J. Utterback; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.R. 2010. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes;

H.R. 2640. An act for the relief of Yoko Takayashiki;

H.R. 3587. An act to provide outpatient medical and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War, and to extend the time within which certain children eligible for benefits under the War Orphans Educational Assistance Act of 1956 may complete their education;

H.R. 4750. An act to amend section 6(a) of the Virgin Islands Corporation Act;

H.R. 4797. An act for the relief of certain aliens;

H.R. 6668. An act to amend title 10, United States Code, with respect to annuities based on retired or retainer pay, and for other purposes;

H.R. 8383. An act to further amend section 201(1) of the Federal Civil Defense Act of 1950, as amended, and for other purposes;

H.R. 8558. An act to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes;

H.R. 8652. An act relating to the income tax treatment of certain losses sustained in converting from street railway to bus operations; and

H.J. Res. 542. Joint resolution relating to the admission of certain adopted children.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 1040. An act to abolish the Federal Farm Mortgage Corporation, and for other purposes; and

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulare area of California.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on September 22, 1961 present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 115. An act for the allocation of costs on the Wapato-Satus unit of the Wapato Indian irrigation project;

H.R. 470. An act to amend sections 1 and 3 of the Foreign Agents Registration Act of 1938, as amended;

H.R. 2181. An act for the relief of Kim Dom Yong;

H.R. 4357. An act to increase monthly disability and death compensation payable pursuant to the War Hazards Compensation Act;

H.R. 4682. An act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa;

H.R. 5490. An act to provide for more effective participation in the Reserve components of the Armed Forces, and for other purposes;

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses;

H.R. 7726. An act to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence;

H.R. 7854. An act to modify the project for the Duluth-Superior Harbor, Minn. and Wis., to provide for the abandonment of the 21st Avenue West Channel, and for other purposes;

H.R. 7888. An act to amend the Flood Control Act of 1958 to extend the time within which land in certain reservoir projects in Texas may be reconveyed to the former owners thereof;

H.J. Res. 453. Joint resolution relating to deportation of certain aliens;

H.J. Res. 459. Joint resolution to provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes; and

H.J. Res. 569. Joint resolution to waive certain provisions of the Atomic Energy Act of 1954 so as to permit the agreement for cooperation between the United States and France to be made immediately effective.

ADJOURNMENT

Mr. EVERETT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p.m.), the House adjourned until Monday, September 25, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1343. A letter from the Acting Secretary of the Interior, relative to an adequate soil survey and land classification of the lands to be benefited by the Sly Park unit, Central Valley project, California, was completed as a part of the investigations required in the formulation of a plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1344. A letter from the Administrator, Veterans' Administration, transmitting a report of the tort claims paid by the Veterans' Administration during the fiscal year ending June 30, 1961, pursuant to Public Law 601, 79th Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive

Papers. House Report No. 1262. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. MORGAN: Committee of conference. H.R. 9118. A bill to establish a U.S. Arms Control Agency (Rept. No. 1263). Ordered to be printed.

Mr. HUDDLESTON: Committee of conference. H.R. 5968. A bill to amend the District of Columbia Unemployment Compensation Act, as amended (Rept. No. 1264). Ordered to be printed.

Mr. MILLS: Committee on Ways and Means. H.R. 8952. A bill to amend the Internal Revenue Code of 1954 with respect to the conditions under which the special constructive sale price rule is to apply for purposes of certain manufacturers excise taxes; with amendment (Rept. No. 1265). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DERWINSKI:

H.R. 9411. A bill to deny the use of the U.S. postal service for the carriage of Communist political propaganda; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY:

H.R. 9412. A bill authorizing the change in name of the Beardstown, Ill., flood control project, to the Sid Simpson-Beardstown flood control project; to the Committee on Public Works.

By Mr. FOUNTAIN:

H.R. 9413. A bill to amend the Internal Revenue Code of 1954 with respect to moneys received in payment for special statistical studies and compilations and certain other services; to the Committee on Ways and Means.

By Mr. GREEN of Pennsylvania:

H.R. 9414. A bill to amend the Tariff Act of 1930 to provide that imported electron microscopes shall be subject to the regular customs duty regardless of the nature of the institution or organization importing them; to the Committee on Ways and Means.

By Mr. HARRIS:

H.R. 9415. A bill to add a new title XVI to the Federal Aviation Act of 1958, in order to provide for a Federal Aviation Service for air traffic control and other essential services and to provide for the availability and responsiveness of that service in time of war or emergency involving national defense, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H.R. 9416. A bill to increase the equipment maintenance allowance for rural carriers; to the Committee on Post Office and Civil Service.

H.R. 9417. A bill to impose an additional duty on strawberries and strawberry products; to the Committee on Ways and Means.

By Mr. RYAN:

H.R. 9418. A bill to establish a new program of loans to be made from a revolving fund by the Housing and Home Finance Administrator to assist in the provision and rehabilitation of housing for middle-income families; to the Committee on Banking and Currency.

H.R. 9419. A bill to amend the Internal Revenue Code of 1954 to require the owner of an apartment building or other multifamily structure to establish and utilize a repair, replacement, and maintenance reserve as a condition of the allowance of a depreciation deduction with respect to such structure; to the Committee on Ways and Means.

By Mrs. CHURCH:

H.R. 9420. A bill to authorize the Secretary of the Navy to sell water from the U.S. Naval Air Station, Glenview, Ill., to supply the Glenbrook South High School, Glenview, Ill.; to the Committee on Armed Services.

By Mr. DONOHUE:

H.R. 9421. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for one-half of the expenses incurred by him in the construction of a civil defense shelter of approved type and design; to the Committee on Ways and Means.

By Mrs. DWYER:

H.R. 9422. A bill to amend the National Housing Act to provide specific authority for the insurance by the Federal Housing Administration, under its home improvement loan programs, of loans for the construction of civil defense shelters; to the Committee on Banking and Currency.

H.R. 9423. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for expenses incurred by him in the construction of a civil defense shelter of approved type and design; to the Committee on Ways and Means.

By Mr. FOGARTY:

H.R. 9424. A bill to amend title II of the Social Security Act to provide that the child of an insured individual may receive child's insurance benefits even though he has attained age 18 if he is under 21 and is a full-time student attending a college or university; to the Committee on Ways and Means.

By Mr. JOHNSON of California:

H.R. 9425. A bill to amend paragraph 757 of the Tariff Act of 1930 with respect to Brazil nuts; to the Committee on Ways and Means.

By Mr. GUBSER:

H.R. 9426. A bill to provide for the termination of programs of price support for agricultural commodities by December 31, 1966; to the Committee on Agriculture.

H.R. 9427. A bill to provide for the denial of passports to persons knowingly engaged in activities intended to further the international Communist movement; to the Committee on Foreign Affairs.

H.R. 9428. A bill to create the Freedom Commission for the development of the science of counteraction to the world Communist conspiracy and for the training and development of leaders in a total political war; to the Committee on Un-American Activities.

By Mr. HARRIS:

H.J. Res. 586. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

H.J. Res. 587. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MOORE:

H.J. Res. 588. Joint resolution to create a Federal Commission on the Construction of School Fallout Shelters; to the Committee on Education and Labor.

By Mr. WHALLEY:

H. Con. Res. 400. Concurrent resolution requesting the President to set aside and proclaim a National Country Music Week; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOW:

H.R. 9429. A bill for the relief of Edward R. Place; to the Committee on the Judiciary.

H.R. 9430. A bill for the relief of Basilio King; to the Committee on the Judiciary.

By Mr. BROYHILL:

H.R. 9431. A bill for the relief of Ourania Hondros; to the Committee on the Judiciary.

H.R. 9432. A bill for the relief of Wilfredo Spatenka; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 9433. A bill for the relief of Alajandro B. Catli; to the Committee on the Judiciary.

By Mr. CLEM MILLER:

H.R. 9434. A bill for the relief of Richard W. Hoffman; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H.R. 9435. A bill for the relief of Mrs. Marianna Martino Paviglianiti; to the Committee on the Judiciary.

SENATE

SATURDAY, SEPTEMBER 23, 1961

The Senate met at 9 o'clock a.m., and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of the ages, whose help we seek for today's duties, it undergirds us with confidence to know that to every scene life brings, our strength depends, not just on our frail hold of Thee, but on Thy mighty grasp of us, for Thou seekest us with patient, haunting pursuit.

Confront us, we pray, with the solemn reality that in the last resort, everything depends on the faith that our own life, all its difficulties and problems of our own life, its self-denials, its triumphs and failures, all have a place in the final mosaic of Thy great plan and that even in the experiences that disturb us most, love almighty is in control and there is a hand that guides.

In that sure confidence send us forth into the uncertain days ahead with the triumphant assurance the Lord is our light and our salvation; though an host encamp against us our hearts shall not fear; though war should rise against us even then will we be confident. Guide us, O Thou great Jehovah, that we may be the dedicated messengers of peace.

Grant us peace with freedom and justice in our time, O Lord.

We bring our prayer in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, September 22, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its

reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 2147. An act for the relief of Kenneth Stultz;

H.R. 2969. An act for the relief of Gene H. King;

H.R. 3487. An act for the relief of Louis C. Wheeler;

H.R. 3710. An act for the relief of Giles L. Matthews;

H.R. 4365. An act for the relief of Sp5c. Daniel J. Hawthorne, Jr.;

H.R. 5139. An act for the relief of Helena M. Grover;

H.R. 5181. An act to amend Private Law 85-699;

H.R. 6938. An act for the relief of Dr. Robert E. Hiller;

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund;

H.R. 8100. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund;

H.R. 8204. An act for the relief of Mr. and Mrs. Harley Brewer;

H.R. 8269. An act for the relief of Dr. Walter H. Duisberg;

H.R. 8325. An act for the relief of Harrison Thomas Harper;

H.R. 8779. An act for the relief of George B. Olmstead; and

H.R. 8798. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 2147. An act for the relief of Kenneth Stultz;

H.R. 2969. An act for the relief of Gene H. King;

H.R. 3487. An act for the relief of Louis C. Wheeler;

H.R. 3710. An act for the relief of Giles L. Matthews;

H.R. 4365. An act for the relief of Sp5c. Daniel J. Hawthorne, Jr.;

H.R. 5181. An act to amend Private Law 85-699;

H.R. 6938. An act for the relief of Dr. Robert E. Hiller;

H.R. 8204. An act for the relief of Mr. and Mrs. Harley Brewer;

H.R. 8269. An act for the relief of Dr. Walter H. Duisberg;

H.R. 8325. An act for the relief of Harrison Thomas Harper; and

H.R. 8779. An act for the relief of George B. Olmstead; to the Committee on the Judiciary.

H.R. 5139. An act for the relief of Helena M. Grover; to the Committee on Finance.

H.R. 8100. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the General Supply Fund; and

H.R. 8798. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended; to the Committee on Government Operations.

MEXICAN FARM LABOR PROGRAM— CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the